K.M. Sugar Mills Ltd.

Factory & Works : P.O. Motinagar-224201, Dist. Ayodhya (U. P.)
Phone : 7571000692, Email : director@kmsugar.com
CIN No.:L15421UP1971PLC003492 GSTIN No.:09AAACK5545P1ZZ

September 15, 2026

To
The Listing Department
BSE Limited
Department of Corporate Services
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001
Scrip Code: 532673

To
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex
Mumbai – 400051
Trading Symbol: KMSUGAR

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Receipt of the Certified True Copy of the Order of Hon'ble National Company Law Tribunal, Allahabad Bench ("Hon'ble NCLT") on the Scheme of Arrangement.

Dear Sir(s)/ Madam(s),

In continuation of our earlier intimations dated August 20, 2026 and August 22, 2026, wherein we had informed that the Hon'ble NCLT has pronounced its order on August 19, 2026 and thereafter uploaded the same on the NCLT portal in relation to the Scheme of Arrangement for Demerger of Distillery Division ("Demerged Undertaking") of K M Sugar Mills Limited ("Demerged Company") and KM Spirits and Allied Industries Limited ("Resulting Company") and their respective shareholders and creditors under sections 230 - 232 of the Companies Act, 2013 ("Scheme of Arrangement").

We wish to inform you that a certified true copy of the aforesaid order of the Hon'ble NCLT dated August 19, 2026, has been issued to the Company on September 14, 2026, and the same is enclosed herewith.

The Appointed Date for the approved Scheme of Arrangement is April 01, 2026. The Effective Date of the Scheme of Arrangement and Record Date shall be determined by the Board of Directors of both the Companies involved in the Scheme of Arrangement, in accordance with the terms of the Scheme and the same shall be communicated in due course.

Kindly take the above information on record.

Yours faithfully,
For **K M Sugar Mills Limited**

K.M. SUGAR MILLS LIMITED Lucknow

Ritika Tandon
Company Secretary & Compliance Officer

Encl:A/a

IN THE NATIONAL COMPANY LAW TRIBUNAL

ALLAHABAD BENCH, PRAYAGRAJ

CP (CAA) NO.16/ALD/2026
IN CA (CAA) NO.05/ALD/2026
(SECOND MOTION)

(An Application filed under Sections 230 - 232 of the Companies Act, 2013, read with Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016, and other applicable provisions)

IN THE MATTER OF SCHEME OF ARRANGEMENT OF:

K M SUGAR MILLS LIMITED
company incorporated under the Companies Act, 1956
Having Its Registered Office At:
76, Eldeco Greens, Gomtinagar,
Lucknow - 226010, Uttar Pradesh, India
PAN- AAACK5545P
CIN- L15421UP1971PLC003492

……..Applicant No.1/ Demerged Company

AND

KM SPIRITS AND ALLIED INDUSTRIES LIMITED
company incorporated under the Companies Act, 2013
Having Its Registered Office At:
76, Eldeco Greens, Gomtinagar,
Lucknow - 226010, Uttar Pradesh, India
PAN- AAGCK9739H
CIN- U15100UP2018PLC101321

……..Applicant No.2/ Resulting Company

Order Pronounced on:19.08.2026

Coram:

Mr. Praveen Gupta : Member (Judicial)

Mr. Ashish Verma : Member (Technical)

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Digitally signed by ABHISHEK SINGH
14-09-2026 15:12:36 IST

Appearances:

Sh. Afnaan Siddiqui with Ms. Suman Kumar Jha & Sh. Vaibhav Khurana, Advs.	:	*For the Petitioner Companies*
Sh. Amit Mahajan, Sr. S.C. with Sh. Niraj Kumar Singh, Adv., and Sh. Utkarsh Malviya, Advs.	:	*For the Income Tax Deptt.*
Sh. Mohd. Akhtar, STA	:	*For the R.D.*
Sh. Ashish Tiwari, STA	:	*For the O.L. Alld*

ORDER

1. This is a joint second motion petition filed by the Petitioner Companies above named under Sections 230 & 232 of the Companies Act, 2013, read with Rule 15 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable provisions, for time being in force, for sanction of the Scheme of Arrangement (hereinafter be referred to as "the Scheme") involving demerger of the 'Distillery Division' (hereinafter referred as "Demerged Undertaking") of KM Sugar Mills Limited (hereinafter referred as "Petitioner No. 1/ Demerged Company") into KM Spirits and Allied Industries Limited (hereinafter referred as "Petitioner No. 2/ Resulting Company").

2. The main objects, date of incorporation, and authorized and paid-up share capital of the Demerged Company and Resulting Company, rationale of the scheme and required statutory compliances have been discussed in the first motion order dated 24.03.2026.

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3. The first motion petition was initially filed by the Petitioner Companies vide Company Application No. 5/ALD/2026, seeking directions of this Tribunal to dispense with the requirement of convening the meetings of the secured creditors of the Demerged Company as well as equity shareholders unsecured creditors and secured creditors of the Resulting Company for the purpose of considering and approving the Scheme of Arrangement. It was further prayed by the Petitioner Companies to convene separate meetings of the Equity Shareholders and Unsecured Creditors of the Demerged Company under the supervision of this Tribunal for the purpose of considering and approving the proposed Scheme. Accordingly, this Tribunal, vide its order dated 24.03.2026, allowed the above-mentioned prayers.

4. The report of the Chairperson dated 30.05.2026 on the meeting of Unsecured creditors of the Resulting Company was filed within the stipulated period stating that the scheme was unanimously approved by the Unsecured Creditors, present and voting. The voting result as submitted in the Chairperson's Report is reproduced as under:

Equity Shareholders

Mode	No. of Members Voted	Number of valid votes cast in favour of resolution	% of total number of valid votes cast in favour

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Remote e-voting prior to the meeting	38	5,80,99,694	99.99%
E-voting at the meeting	NIL	NA	NA
Total	38	5,80,99,694	99.99%

Unsecured Creditors

Sl. No.	Particulars	No. of Voters	Voted	Value of Votes	% of Votes
1.1	Un-secured Creditors present in the meeting through video conferencing	21	16	2,24,18,449	-
1.2	Un-secured Creditors present in the meeting and voted through e-voting system in the meeting	–	–	–	–
1.3	Un-secured Creditors present in the meeting who had already voted through remote e-voting during the prescribed period before the meeting	16	16	2,18,64,582	100%
1.4	Un-secured Creditors present in the meeting who abstained from voting	5	0	5,53,867	-
2.1	Un-secured Creditors who did not attend the meeting but cast their votes through remote e-voting during the prescribed period before the meeting	69	69	2,78,09,463	100%
3.1	**Total Votes Cast in the meeting and through remote e-voting before the meeting considered for the purpose of this Report [1.2+1.3+2.1]**	**85**	**85**	**4,96,74,045**	**100%**
4.1	**Invalid Votes**	–	–	–	–
5.1	**Total Valid Votes**	**85**	**85**	**4,96,74,045**	**100%**
6.1	**Votes Against**	–	**0**	–	**0%**
7.1	Votes Against as % of total valid votes cast	–	–	–	**0%**
8.1	**Votes in Favour**	**85**	**85**	**4,96,74,045**	**100%**
9.1	Votes in Favour as % of total valid votes cast	–	–	**100%**	**100%**

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5. This Tribunal vide its order dated 11.06.2026 directed to issue notice of the Company Petition/ Scheme of Arrangement to the Statutory Authorities, viz., (a) the Central Government through the office of the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi; having address B-2 Wing, 2nd Floor, Pt. Deen Dayal Antodaya Bhawan, CGO Complex, Lodhi Road, New Delhi-110 003 and email id- rd.north@mca.gov.in (b) the Registrar of Companies, Ministry of Corporate Affairs, Uttar Pradesh; having address 2nd Floor, Kendriya Bhawan, GPOA, Fazal Ganj, Kanpur-201 812, Uttar Pradesh and email id – roc.kanpur@mca.gov.in; (c) National Stock Exchange of India Limited (d) Bombay Stock Exchange Limited (collectively called "Stock Exchanges") (e) the Jurisdictional Income Tax Department by mentioning the PAN of the Company along with the copy of this petition in soft copy as well as hard copy. Additionally, this Tribunal further directed to issue notice to the Income Tax Department through the Principal Chief Commissioner of Income Tax, (Lucknow), 6th Floor, Pratyaksh Kar Bhawan, 57, Ram Tirath Marg, Lucknow-226 001 and Email ID: lucknow.pccit@incometax.gov.in, mentioning the Assessing Officer with whom the Petitioner companies are associated as per the PAN of the Petitioner Companies.

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6. Furthermore, this Tribunal directed to issue a notice of hearing by making paper publication in this respect in "Financial Express" (English) and "Jan Satta" (Hindi).

7. In compliance thereof, each Petitioner companies have filed Affidavit of Service and Publication on 14.07.2026 confirming that notices have been duly published in "Financial Express" (English) and "Jan Satta" (Hindi) on 07.07.2026, respectively. The Petitioner Companies have also served notice of the Company Petition to the Statutory Authorities through various modes between 17.06.2026 till 22.06.2026.

8. In response to the above stated notice, the Registrar of Companies (RoC), Ministry of Corporate Affairs, U.P., has submitted its report dated 08.07.2026, to the Regional Director, Northern Region, Ministry of Corporate Affairs, New Delhi, which has been reproduced herein:

"24. Observation, if any:

1. As per Point No.2 of the Preamble of Scheme of Arrangement, Resulting Company i.e. KM SPIRITS AND ALLIED INDUSTRIES LIMITED is Wholly Owned Subsidiary of the Demerged Company i.e. K M SUGAR MILLS LIMITED.

2. Demerged Company i.e., K M SUGAR MILLS LIMITED is listed on BSE and NSE.

3. Transferor and Transferee Companies are Public Limited Companies.

4. Demerged Company i.e. K M SUGAR MILLS LIMITED, demerged its

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Distillery Division/Business into the Resulting Company i.e. KM SPIRITS AND ALLIED INDUSTRIES LIMITED on a going concern basis which is define in Part-2 of the Scheme.

5. The report has been prepared based on the documents filed by the companies as well as the documents available in the MCA21 registry."

9. In response to the above stated notice, the Regional Director (RD), Northern Region, Ministry of Corporate Affairs, New Delhi, has filed its Representation Affidavit dated 12.07.2026 which stated as follows:

"9. That as per the report of the Registrar of Companies, the Petitioner Company has filed its Balance Sheet and Annual Return up to the financial year ended on 3 1.03.2025. Neither prosecution has been filed, nor pending in respect of the Petitioner Company as per the report of the Registrar of Companies."

10. In response to the notices, the Income Tax Department has furnished its comments/reports as per the following details:

Sr. No.	**Name of the Company**	**Date of the Reports of the Jurisdictional Tax Department**	**Relevant Excerpt from the Reports submitted by the Jurisdictional Income Tax Department**
1.	KM Sugar Mills Limited (Demerged Company/Petitioner Company No. 1)	30.07.2026	*"That on perusal of records available on ITBA / CPC 2.0 Portal the following details in respect of the Petitioner Company No. 1/Demerged Company i.e. K M Sugar Mills Limited (PAN: AAACK5545P) as on date and reflecting on the Portal are as under :-*

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Sl. No.	Assessment Year	Demand Section	Date of order	Demand outstanding (In Rs.)
1.	2015-16	154	24.03.2026	4,59,01,363/-
2.	2018-19	270A	08.03.2022	6,50,198/-
3.	2020-21	143(3)	29.10.2023	17,98,550/-
4.	2020-21	270A	16.04.2024	15,42,708/-
5.	2024-25	143(3)	23.03.2026	1,51,245/-

Further appellate proceedings under the Income-tax Act are pending against the K M Sugar Mills Limited (PAN: AAACK5545P) as on the date of swearing of this affidavit.

7. That the Scheme must strictly satisfy all the conditions laid down under Section 2(19AA) of the Act. If the Scheme fails to satisfy any of these conditions at any state, the tax benefit/exemption associated with a "demerger" shall not apply, and the transaction will be subject to applicable Capital Gains Tax and other tax implicants.

8. That the Sanctioning of scheme of Arrangement for Demerger should not, in any manner, prejudice, override, or impede the ongoing or future assessment, reassessment, recovery or penalty proceedings against either the Demerged Company or Resulting Company.

9. That the pursuant to Section 170A/Section 72A of the Income Tax Act, 1961, both the Demerged Company and the Resulting Company must remain jointly and severally liable for any tax liabilities (including interest, penalty or fine) relating to the demerged undertaking for the period prior to the Appointed Date, whether currently quantified or arising in the future.

10. That the carry forward and set-off of accumulated losses and unabsorbed depreciation, if any, transferred to the

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			Resulting Company, must strictly comply with Section 72A(4) of the Income Tax Act, 1961, and will be subject to verification by the Assessing Officer during regular assessment. *11. That the Income Tax Department reserves its right to recover any tax dues from the assets of the Demerged Company as well as the Resulting Company in accordance with the law.* *12. That the approval of the Scheme shall not act as an approval for any tax avoidance or tax mitigation strategies, and the Department reserves the right to invoke the General Anti-Avoidance Rules (GAAR) under Chapter X-A of the Income Tax Act, 1961, if applicable.* *13. That it is therefore, most humbly prayed that apart from the above narrated facts, if in the esteemed opinion of this Hon'ble Tribunal any other measure is required to be taken to protect the interest of the Revenue then the same may kindly be incorporated and may kindly be considered to safeguard the interest of the Department before taking a decision in the matter of sanction of Scheme of Arrangement u/s 230 to 232 of the Companies Act, 2013 as enclosed in the Company Petition."*

11. Pursuant to the aforesaid observation of the Jurisdictional Income Tax Department, the Petitioner Company 1 filed a Rejoinder Affidavit on 04.08.2026 and submitted as follows:

"4. That the abovementioned report filed by the Income Tax Department records certain demands w.r.t. the Petitioner Company 1/ Demerged Company for the relevant assessment years and does not contain any

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objection or adverse observation in relation to the Scheme of Arrangement for Demerger.

5. That the Petitioner Company No. 1 / Demerged Company most respectfully submits that, pursuant to the Scheme of Arrangement for Demerger, the Petitioner Company No. 1 / Demerged Company shall continue to exist as a going concern and, therefore, the interests of the Income Tax Department shall not be prejudiced in any manner whatsoever. Further, upon the Scheme becoming effective, all tax liabilities, statutory dues, rights, claims, obligations and all proceedings including assessment, reassessment, appeal, revision, recovery, penalty or any other proceedings, attributable to or arising in relation to the Demerged Undertaking shall stand transferred to and be assumed and discharged by the Resulting Company, in accordance with the provisions of the Scheme, without prejudice to the rights, contentions and remedies available to the Resulting Company under applicable law.

6. That, insofar as the Remaining Business of the Petitioner Company No. 1 / Demerged Company is concerned, the Petitioner Company No. 1 /Demerged Company shall continue to be liable for and shall in the ordinary course of its business and in accordance with applicable law, duly discharge all legitimate tax liabilities and statutory obligations attributable thereto, without prejudice to its rights, contentions and remedies available under law."

12. Additionally, the Petitioner Company No. 1 also filed an Additional Rejoinder Affidavit on 12.08.2026 and submitted as per the following details:

Sr. No.	**Comments of Income Tax Department**	**Current Status of the Case**
1.	Assessment Year-2015-16 Demand Section - 154 Date of Order-24.03.2026 Demand	*A demand of INR 6,50,81,230 vide order dated March 06, 2023 under Section 147 of the Income Tax Act, 1961 ("the Act") was raised by the Income Tax Authority ("Authority"). However, an amount of INR 2,57,47,770 has already been recovered by the Authority by adjustment against refunds of other assessment years. The core issue is*

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	Outstanding- INR Rs. 4,59,01,363/-	*disallowance of set-off of / forward losses. The Assessing Officer unabsorbed depreciation brought alleged excess claim of such losses. The Commissioner of Income Tax (Appeals) (NFAC) ("CIT(A)") on an appeal filed by the Demerged Company (Appeal No. NFAC/2014-15/10230071), has vide an order dated April 21, 2026, directed the Jurisdictional Assessing Officer (JAO) to verify the correctness of the carry-forward losses from A.Y. 2007-08 onwards. The Demerged Company has already submitted the complete details of brought forward losses and unabsorbed depreciation (as earlier assessed by the Department) before the JAO for A.Y. 2015-16. The Demerged Company has also clarified that the set-off of losses was based on losses already accepted by the Department in earlier orders and upon verification by the JAO, the demand is expected to be set aside and accordingly, the Demerged Company is expected to receive the refund of INR 2,57,47,770 along with interest under Section 244A. The consequential order under Section 251 of the Act is awaited. Accordingly, the matter is presently pending before the Assessing Officer.*
3.	Assessment Year- 2020-21 Demand Section- 143(3) Date of Order- 29.10.2023 Demand Outstanding-	*A demand under Section 143(3) of the Act by the Authority was raised vide order dated October 28, 2023 pursuant to assessment, disallowing certain deductions claimed by the Demerged Company.* *However, the Demerged Company filed application before the Assessing Officer under Section 154 of the Act for recalculation of the income- tax liability.* *Accordingly, the demand is not crystallised and is under reconsideration at the Assessing Officer's level for recalculation.*

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	Rs. 7,98,550/-	
4.	Assessment Year- 2020-21 Demand Section-270A Date of Order- 16.04.2024 Demand Outstanding- Rs. 15,42,708/-	*The matter pertains to a penalty order issued by the Authority in connection with the assessment referred to at Point No. 03 Aggrieved by the said order, the Demerged Company has filed an appeal before the CIT (A). Presently, the appeal no. NFAC/2019-20/10373935 is pending for adjudication before the CIT(A).*
5.	Assessment Year- 2024-25 Demand Section- 143(3) Date of Order- 23.03.2026 Demand Outstanding- Rs. 1,51,245/-	*The complete demand raised by the Authority vide its assessment order dated March 23, 2026 has already been duly paid by the Demerged Company vide Challan No. 29219 dated April 04,2026 of INR 99,875 and Challan No. 56057 dated April 06, 2026 of INR 1,51,600. The payment of Income Tax vide above challans is to be set off against the pending demand.* *A copy of the aforesaid challans along with the copy of order dated March 23, 2026 are annexed herewith and marked as Annexure-02 (Colly).*
		5. That in view of the above, the Petitioner Company 1/Demerged Company respectfully submits that the demands referred by the Income Tax Department are either under proceedings and have not attained finality or have already been paid. The present Scheme of Arrangement for Demerger does not seek to waive or extinguish any tax liability and the

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		rights of the Income Tax Department shall remain unaffected."

13. The Petitioner Company No. 1 also filed written submissions to the aforesaid Additional Rejoinder on 12.08.2026 placing on record the order passed by the CIT(A) dated 21.04.2026 in Appeal No. NFAC/2014-15/10230071, wherein the CIT(A) directed the Assessing Officer to verify the correctness of the carry-forward losses from Assessment Year 2007-08 onwards attached as Annexure-1 with the aforesaid submissions, which have been taken on record.

14. Pursuant to the aforesaid observation of the Jurisdictional Income Tax Department, the Petitioner Company No. 2 also filed an Additional Rejoinder Affidavit on 04.08.2026 and submitted as follows:

"3. That the Petitioner Company 2/Resulting Company most humbly submits that, upon the Scheme of Arrangement for Demerger becoming effective, all tax liabilities, statutory dues, rights, claims, obligations and all proceedings, including assessment, reassessment, appeal, revision, recovery, penalty or any other proceedings, attributable to or arising in relation to the Demerged Undertaking, shall stand vested in, be assumed and discharged by the Petitioner Company No. 2 / Resulting Company in accordance with the provisions of the Scheme. The Petitioner Company No. 2 / Resulting Company further undertakes to duly comply with all applicable tax laws and discharge all such liabilities in accordance with law, without prejudice to its rights, contentions and remedies available under the applicable statutes. Accordingly, the interests of the Income Tax Department shall not be prejudiced in any manner whatsoever by virtue of the Scheme."

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15. The Income Tax Department also filed its report dated 05.08.2026 stating as follows:

"Kindly refer to your email dated 28.07.2026 requesting submission of the report in the matter relating to the proposed Scheme of Demerger between K M Sugar Mills Limited and K M Spirits and Allied Industries Limited for preparation of the affidavit to be filed before the Hon'ble National Company Law Tribunal, Prayagraj.

In this regard, I am directed to submit the desired report which is as under. The matter has been examined and the records available in this office, including the ITBA portal. have been duly verified. On verification, the following is reported:

1. No assessment or reassessment proceedings are pending in this office against either of the petitioner companies.

2. No penalty or prosecution proceedings are pending in this office against either of the petitioner companies.

3. No adverse information requiring any specific objection to the proposed Scheme of Demerger has been noticed from the records available in this office. Accordingly, based on the records presently available with this office, this office has no objection to the proposed scheme of Demerger between KM Sugar Mills Limited and KM Spirits and Allied Industries Limited."

16. During the course of hearing held on 13.08.2026 with respect to the observations of the Income Tax Department, the Ld. Counsels submitted as follows:

"*3. It is pointed out by the Ld. Counsel representing the Petitioner that a counter affidavit has been filed to the report of the Income Tax Department where in terms of Para No.4 placed at Page No.3, it has been stated that with respect to the outstanding demand for the Assessment Year from 2015-16 till 2020-21, the appeals have been filed before the Appellate Authority and with respect to the outstanding amount for the Assessment Year 2024-25, the amount of Rs.1,51,245/- have since then been paid and the receipt of the payment is also enclosed as Annexure No.2 at Page No.16 of the said affidavit of undertaking. He also states*

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that in terms of Para No.5 at Page No.4 of the undertaking, it has been clearly clarified that all outstanding demand, tax liabilities arising out of assessment, reassessment recovery, penalty or any other proceedings shall stand transferred to and to be assumed by the Resulting Company in accordance with the Provisions of the Scheme without prejudice to the rights contentions and remedies available to the Resulting Company under the applicable law.

4. Ld. Counsel representing the Income Tax Department states that in view of the said undertaking, the interest of the department has been protected."

17. We have heard the Ld. Counsel appearing for the Petitioner Companies as well as the Learned Counsel appearing for the statutory authorities, namely, the Ld. Registrar of Companies, Kanpur, the Learned Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi, and the Income Tax Department. We have also perused the reports/comments and the replies/objections filed by the aforesaid statutory authorities, along with the responses submitted by the Petitioner Companies.

18. We have also taken note of the fact that no response or representation has been received from the National Stock Exchange and Bombay Stock Exchange till date, it is therefore presumed as per the Rule 8(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 that the said authorities have no objection to the proposed Scheme.

19. Upon consideration of the material available on record, it is observed that the observations made by the Learned Regional Director and the Income

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Tax Department have been duly addressed by the Petitioner Companies, and appropriate undertakings have been furnished, wherever required, for ensuring compliance with the directions and observations made by the statutory authorities. The Scheme of Arrangement appears to be in conformity with the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and does not appear to be contrary to law or public policy. No surviving objection remains for consideration before this Tribunal. In view of the above, and being satisfied that all the requisite statutory compliances have been duly fulfilled, this Tribunal hereby sanctions the Scheme of Arrangement annexed as Annexure-P/1 to the Petition in terms of the Prayer Clause thereof. The Scheme shall be binding on the Petitioner Companies, their respective shareholders, creditors, and all other concerned persons, in accordance with law.

20. In the result, the proposed Scheme of Arrangement, which is annexed to the Company Petition stands approved and sanctioned, and the same shall be binding on all the Shareholders and Creditors of the above-named Petitioner Companies and also on the Petitioner Companies with effect from the Appointed Date, i.e., 1st day of April, 2026. The Petitioner Companies are required to act upon as per the terms and conditions of the sanctioned Scheme of Arrangement.

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21. While approving the Scheme as above, it is clarified that this order should not be construed as, in any way, granting exemption from payment of stamp duty (if any, is applicable), taxes (including Income Tax, GST or any other charges, if any, are applicable) and payment in accordance with law or in respect to any permission/compliance with any other requirement which may be specifically required under any law. The Transferee Company shall also comply with the provisions of Section 314(1) of the Income Tax Act, 2025 for filing of modified tax returns if any are required to be filed.

THIS TRIBUNAL DO FURTHER ORDER:

A. With respect to the Demerger of the demerged undertaking from Petitioner Company No. 1/Demerged Company to Petitioner Company No. 2/Resulting Company No. 1:

I. Upon this Scheme becoming effective and with effect from the Appointed Date, any assets relating to the Demerged Undertaking (As specified in the Schedule-Part-I) that are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and acknowledgement of possession pursuant to this Scheme, shall stand transferred and vested as such by the Demerged Company and shall become the property and an integral part of the Resulting Company without any further act, instrument or deed subject to the provisions of this scheme in

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relation to encumbrances in favour of banks and/or financial institutions, if any.

II. Upon this Scheme becoming effective and with effect from the Appointed Date, all other movable assets of the Demerged Company relating to the business of Demerged Undertaking (As specified in the Schedule - Part -1) excluding those specified in sub-clause 2.2.1, i.e. Sundry Debtors, outstanding loans and advances and other current assets, if any, recoverable in cash or in kind or for value to be received, cash & bank balances and deposits, shall without any further act, instrument or deed, become the property of the Resulting Company.

III. All debts, liabilities, contingent liabilities, duties, loans, borrowings and obligations (including debenture, bonds, notes and other debt securities), secured or unsecured, bank/ performance guarantees, letter of credit including contingent liabilities, whether provided for or not in the books of accounts or disclosed in the balance sheets of the Demerged Company, in relation to and pertaining to the business of Demerged Undertaking (As specified in the Schedule - Part -1), shall without any further act, instrument or deed or wherever required after following the due process prescribed by concerned lenders/creditors, be transferred to, and vested in, and/ or deemed to have been transferred to, and vested in, the Resulting Company, so as to become on and from the Appointed Date, the debts, liabilities, duties and obligations of the Resulting Company on the same terms and conditions as were applicable to the Demerged Company.

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IV. Effective date is the date by which the Scheme of Arrangement / Demerger among the Petitioner Companies is completed subsequent to the 2nd motion order passed in respect of all Petitioner Companies vide the order dated 19.08.2026.

V. Upon this Scheme becoming effective and with effect from the Appointed Date, all legal, regulatory, and other proceedings (including those pending before any statutory, quasi-judicial, or judicial authority or tribunal) relating to the Demerged Undertaking, of any nature whatsoever, instituted by or against the Demerged Company and pending as on the Effective Date, shall not stand abated, discontinued, or· prejudicially affected by reason of this Scheme and such proceedings shall be continued, prosecuted and enforced by or against the Resulting Company in the same manner and to the same extent as they would have been continued, prosecuted and enforced by or against the Demerged Company, had this Scheme not been implemented.

VI. Upon this Scheme becoming effective and with effect from the Appointed Date, the services of all employees of the Demerged Company employed in the Demerged Undertaking shall stand transferred to the Resulting Company, on the same terms and conditions at which these employees were engaged by the Demerged Company without any interruption of service as a result of the transfer.

VII. Upon this Scheme becoming effective/with effect from the Appointed Date and in consideration of transfer and vesting of the Demerged Undertaking in the Resulting Company pursuant to Part 2 of the Scheme, the Resulting Company shall, without any

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further act or deed, issue and allot equity shares (hereinafter also referred to as the "New Shares") credited as fully paid up equity shares, to the extent indicated below, on a proportionate basis to the members of the Demerged Company holding fully paid up equity shares in the Demerged Company and whose name appear in the register of shareholders and records of the depository as shareholders of the Demerged Company as on a Record Date, in the ratio as under:

- “l (One) equity share of face value of Rs. 10/- (Rupees Ten) each at par in the 'Resulting Company' for every 5 (Five) Equity Shares of face value of Rs. 2/- (Rupees Two) each held by them in the Demerged Company (“Share Entitlement Ratio")."

VIII. Upon this Scheme becoming effective from the Effective Date, the Petitioner Company No. 2 (Resulting Company) respectively shall comply with the notices issued post arrangement with respect to any income tax proceedings against the Petitioner Company No. 1 (Demerged Company) in respect of Demerged Undertaking of Petitioner Company No. 1 (Demerged Company) pertaining to the period prior to appointed date, for which notices may be issued post arrangement after passing of this order, and to that effect that the Petitioner Company No. 2 (Resulting Company) shall not raise any objection;

IX. That all benefits, entitlements, incentives and concessions under incentive schemes and policies that the Petitioner Company No. 1 (Demerged Company) are entitled in respect of Demerged Undertaking as regards the Customs, Excise, Service Tax, VAT,

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Sales Tax, GST and Entry Tax and Income Tax laws, subsidy receivables from Government, grant from any governmental authorities, direct tax benefit/exemptions/deductions, shall, to the extent statutorily available and along with associated obligations to respective demerged undertakings, stand transferred to and be available to the Petitioner Company No. 2 (Resulting Company) as if the Resulting Company were originally entitled to all such benefits, entitlements, incentives and concessions.

X. That the assessment under the Income Tax Act will be in accordance with the provisions of the Section 314 (2) of the Income Tax Act, 2025; the Petitioner Company No. 2 (Resulting Company)/Petitioner Company No. 1 (Demerged Company) shall file modified income tax return if any required to be filed pursuant to the scheme as approved by this order in the manner and form as prescribed u/s 314(1) of the Income Tax Act, 2025 within six months from the end of the month of this order.

22. The Petitioner Companies shall supply legible printouts of the Scheme and the Schedule of Assets in an acceptable form to the Registry within three weeks from the date of pronouncement of the order and the Registry will append such printouts, after verification, to the certified copy of the Order.

23. A certified copy of this Order in Form No. CAA 7 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 be supplied if applied for, subject to compliance with usual formalities.

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24. The Petitioner Companies shall within thirty days of the date of the receipt of this order cause a certified copy of this order to be delivered to the Registrar of Companies, Kanpur, for registration and the Registrar of Companies shall place all documents relating to the Scheme on the files kept by their office in relation to the Petitioner Companies.

25. The Resulting Company shall file the revised memorandum and articles of association with the concerned Registrar of Companies and further make the requisite payments of the differential fee (if any) for the enhancement of authorized capital of the Resulting Company; after setting off the fees paid by the Demerged Company.

26. All the concerned Regulatory Authorities and other persons to act on a copy of this Order annexed with the Scheme duly authenticated by the Registrar, National Company Law Tribunal, Allahabad Bench, Prayagraj.

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

28. Accordingly, the present Company Petition bearing CP (CAA) No.16/ALD/2026 is allowed and stands disposed of.

-Sd-
(Ashish Verma)
Member (Technical)

-Sd-
(Praveen Gupta)
Member (Judicial)

Date: 19.08.2026

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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

BENCH AT ALLAHABAD

ORIGINAL COMPANY JURISDICTION

IN

COMPANY PETITION NO. (CAA) 16/ALD/ 2026

CONNECTED WITH

COMPANY APPLICATION NO. (CAA) 5/ALD/ 2026

(Under Section 230-232 of the Companies Act, 2013)

In the matter of Companies Act, 2013

AND

In the matter of Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with Rule 16 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

AND

IN THE MATTER OF

K M SUGAR MILLS LIMITED

a company incorporated under the Companies Act, 1956 having its registered office at 76, Eldeco Greens, Gomtinagar, Lucknow - 226010, Uttar Pradesh, India with **PAN: AAACK5545P** and the Corporate Identification Number: L15421UP1971PLC003492.

….. Petitioner Company 1/ Demerged Company

AND

KM SPIRITS AND ALLIED INDUSTRIES LIMITED

National Company Law Tribunal
Allahabad Bench
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a company incorporated under the Companies Act, 2013 having its registered office at 76, Eldeco Greens, Gomtinagar, Lucknow - 226010, Uttar Pradesh, India with **PAN: AAGCK9739H** and the Corporate Identification Number: U15100UP2018PLC101321.

... Petitioner Company 2/ Resulting Company

AND

their respective Shareholders and Creditors

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S. No.	Particulars	Page
1.	Affidavit on behalf of Petitioner Company 1/ Demerged Company to place on record the Schedule of Assets and Liabilities of K M Sugar Mills Limited ("Petitioner Company 1"/ "Demerged Company") in compliance of the Order of this Hon'ble Tribunal dated August 19, 2026.	**01 - 04**
2.	Affidavit on behalf of Petitioner Company 2 / Resulting Company to place on record the Schedule of Schedule of Assets and Liabilities of K M Sugar Mills Limited ("Petitioner Company 1"/ "Demerged Company") in compliance of the Order of this Hon'ble Tribunal dated August 19, 2026.	**05 - 08**
3.	**ANNEXURE - 1** Self-certified copy of the approved Scheme and the Schedule of Assets and Liabilities of the Distillery Division ("Demerged Undertaking") of Petitioner Company 1 / Demerged Company as on the Appointed date i.e., April 01, 2026	**09 - 56**

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FILED THROUGH -

Corporate Professionals Advisors & Advocates

(Advocate for the Petitioner Companies)

D-28, South Extension-I, New Delhi – 110049;

Mob –9911626324, Email – suman@indiacp.com

Date: 07.09.2026
Place: New Delhi

National Company Law Tribunal

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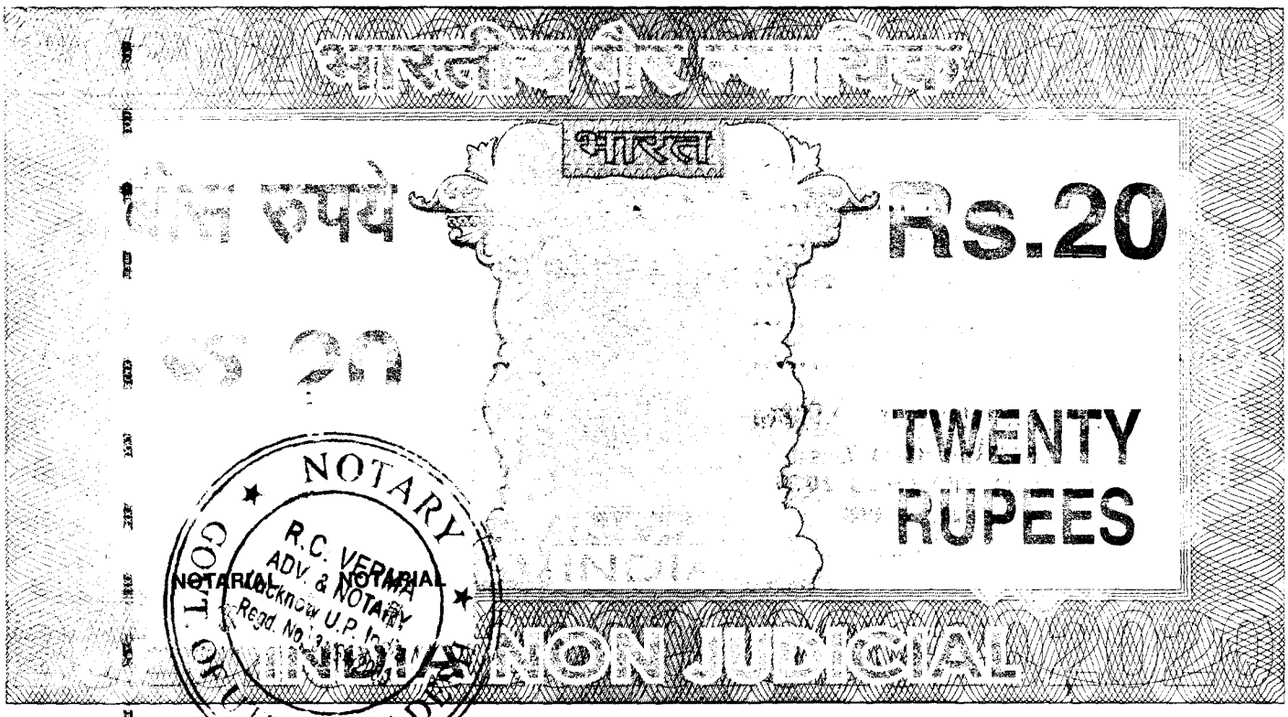

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

BENCH AT ALLAHABAD

ORIGINAL COMPANY JURISDICTION

IN

COMPANY PETITION NO. (CAA) 16/ALD/ 2026

CONNECTED WITH

COMPANY APPLICATION NO. (CAA) 5/ALD/ 2026

(Under Section 230-232 of the Companies Act, 2013)

In the matter of Companies Act, 2013

AND

Sworn and Verified before me.

R. C. VERMA
Adv. & NOTARY
Collectorate Court
Lucknow U.P. India
Regd. 31/64/2000
9/9/2026

K.M. SUGAR MILLS LIMITED
Lucknow

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In the matter of Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with Rule 16 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

AND

IN THE MATTER OF

K M SUGAR MILLS LIMITED

a company incorporated under the Companies Act, 1956 having its registered office at 76, Eldeco Greens, Gomtinagar, Lucknow - 226010, Uttar Pradesh, India with **PAN: AAACK5545P** and the Corporate Identification Number: L15421UP1971PLC003492.

….. Petitioner Company 1/ Demerged Company

AND

KM SPIRITS AND ALLIED INDUSTRIES LIMITED

a company incorporated under the Companies Act, 2013 having its registered office at 76, Eldeco Greens, Gomtinagar, Lucknow - 226010, Uttar Pradesh, India with **PAN: AAGCK9739H** and the Corporate Identification Number: U15100UP2018PLC101321.

… Petitioner Company 2/ Resulting Company

AND

their respective Shareholders and Creditors

NOTARY R.C. VERMA ADV. & NOTARY Lucknow U.P. India Regd. No. 31/64/2000 GOVT. OF UTTAR PRADESH

AFFIDAVIT ON BEHALF OF THE PETITIONER COMPANY 1 / DEMERGED COMPANY TO PLACE ON RECORD THE SCHEDULE OF ASSETS AND LIABILITIES OF K M SUGAR MILLS LIMITED ("PETITIONER COMPANY 1"/ "DEMERGED COMPANY") IN COMPLIANCE OF THE ORDER OF THIS HON'BLE TRIBUNAL DATED AUGUST 19, 2026.

Sworn and verified before me. 21/9/2026

R. C. VERMA Adv. & Notary Collectorate Court Lucknow U.P. India Regd. 31/64/2000

I, Ritika Tandon, D/o Late Ravi Kumar Tandon, aged about 39 years, residing at MIG 13, Sector C, SBI Colony, Jankipuram, Lucknow - 226021 do solemnly affirm and say as follows: -

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K M SUGAR MILLS LIMITED Lucknow

1. That I have been authorized by the Board of Directors of the Petitioner Company 1/ Demerged Company at its Board Meeting held on 07.08.2025 and being fully conversant with the facts, I am able to depose to this affidavit.

2. That I am swearing this affidavit with regard to the sanctioned Scheme of Arrangement for the Demerger of "Distellery Division" ("Demerged Undertaking") of K M Sugar Mills Limited ("Demerged Company") into KM Spirits and Allied Industries Limited ("Resulting Company") and their respective shareholders and creditors under the provisions of Section 230 - 232 of the Companies Act, 2013 ("Scheme"/ "Scheme of Arrangement").

3. That the Hon'ble National Company Law Tribunal, Allahabad Bench ("Hon'ble Tribunal") vide its Order dated August 19, 2026 was pleased to grant its sanction to the abovementioned Scheme of Arrangement.

4. That in compliance of the Order dated August 19, 2026 passed by the Hon'ble Tribunal, the self-certified copy of the approved scheme and the Schedule of Assets and Liabilities of the Distillery Division ("Demerged Undertaking") of Petitioner Company 1 / Demerged Company as on the Appointed date i.e., April 01, 2026 is annexed herewith and marked as **ANNEXURE – 1**, for obtaining the formal order of the Hon'ble Tribunal in Form CAA-7 having sanctioned the said Scheme of Arrangement.

5. That the contents of paragraph nos. 1 to 4 are true to the best of my knowledge and belief.

NOTARY
R.C. VERMA
ADV. & NOTARY
Lucknow U.P. India
Regd. No. 31/64/2000
GOVT. OF U.P.

Sworn and Verified before me.

28/8/2026

R. C. VERMA
Adv. & NOTARY
Collectorate Court
Lucknow U.P. India
Regd. 31/64/2000

K M SUGAR MILLS LIMITED
Lucknow

DEPONENT

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VERIFICATION

I, the deponent above named, do hereby verify that the contents of my above affidavit are based on the records of the Petitioner Company 1/ Demerged Company and believed by me to be true, no part of it is false and nothing material has been concealed therefrom.

Verified on this 02 day of 09, 2026 at Lucknow.

SIGAR MILLS LIMITED Lucknow

DEPONENT

NOTARY R.C. VERMA ADV. & NOTARY Lucknow U.P. India Regd. No. 31/64/2000 GOVT. OF U.P. INDIA

Sworn and Verified before me.

R. C. VERMA 9/9/2026
Adv. & NOTARY
Collectorate Court
Lucknow U.P. India
Regd. 31/64/2000

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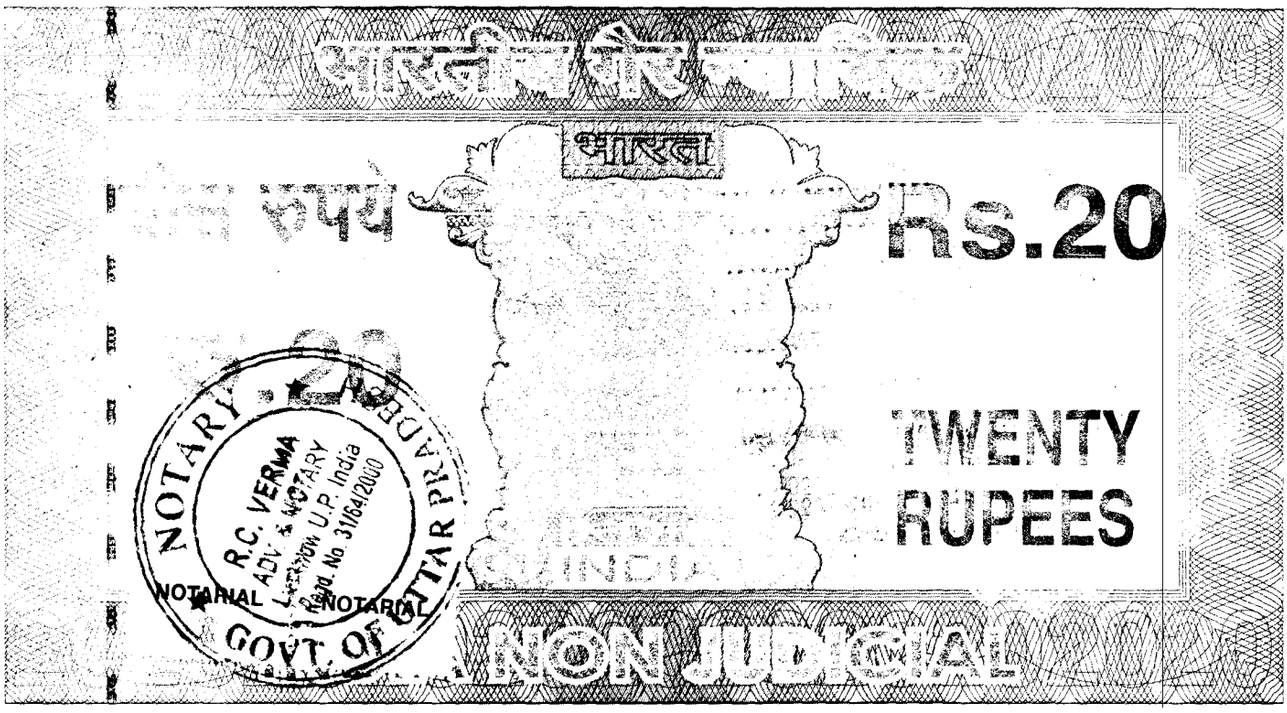

UTTAR PRADESH 48AA 085924

This stamp paper form an integral

part of affidavit sworn by

Mr. Sanjay Jhunjhunwala Before NCLT, Allahabad

NOTARY
R.C. VERMA
ADV. & NOTARY
Lucknow U.P. India
GOVT. OF UTTAR PRADESH

K 2 Spirits & Allied Industries

(Director)

Sworn and Verified
before me.

R. C. VERMA
Adv. & NOTARY
Collectorate Court
Lucknow U.P. India
Regd. 31/64/2000

9/9/2026

National Company Law Tribunal

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BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

BENCH AT ALLAHABAD

ORIGINAL COMPANY JURISDICTION

IN

COMPANY PETITION NO. (CAA) 16/ALD/ 2026

CONNECTED WITH

COMPANY APPLICATION NO. (CAA) 5/ALD/ 2026

(Under Section 230-232 of the Companies Act, 2013)

In the matter of Companies Act, 2013

AND

In the matter of Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with Rule 16 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

NOTARY R.C. VERMA ADV. & NOTARY Lucknow U.P. India Regd. No. 31/64/2000 GOVT. OF UTTAR PRADESH

AND

IN THE MATTER OF

K M SUGAR MILLS LIMITED

a company incorporated under the Companies Act, 1956 having its registered office at 76, Eldeco Greens, Gomtinagar, Lucknow - 226010, Uttar Pradesh, India with **PAN: AAACK5545P** and the Corporate Identification Number: L15421UP1971PLC003492.

..... Petitioner Company 1/ Demerged Company

Sworn and Verified before me.

R. C. VERMA Adv & NOTARY Collectorate Court Lucknow U.P. India Regd. 31/64/2000

AND

National Company Law Tribunal
Allahabad Bench
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(Director)

KM SPIRITS AND ALLIED INDUSTRIES LIMITED

a company incorporated under the Companies Act, 2013 having its registered office at 76, Eldeco Greens, Gomtinagar, Lucknow - 226010, Uttar Pradesh, India with **PAN: AAGCK9739H** and the Corporate Identification Number: U15100UP2018PLC101321.

... Petitioner Company 2/ Resulting Company

AND

their respective Shareholders and Creditors

AFFIDAVIT ON BEHALF OF THE PETITIONER COMPANY 2 / RESULTING COMPANY TO PLACE ON RECORD THE SCHEDULE OF ASSETS AND LIABILITIES OF K M SUGAR MILLS LIMITED ("PETITIONER COMPANY 1"/ "DEMERGED COMPANY") IN COMPLIANCE OF THE ORDER OF THIS HON'BLE TRIBUNAL DATED AUGUST 19, 2026.

I, Sanjay Jhunjhunwala, S/o Late L.K. Jhunjhunwala aged about 50 years, residing at Shrim, N H 2 Vishwas Khand 2, Opp H. No. 2/327, Gomti Nagar, Lucknow, Uttar Pradesh-226010, do solemnly affirm and say as follows: -

1. That I have been authorized by the Board of Directors of the Petitioner Company 2/ Resulting Company at its Board Meeting held on 07.08.2025 and being fully conversant with the facts, I am able to depose to this affidavit.

2. That I am swearing this affidavit with regard to the sanctioned Scheme of Arrangement for the Demerger of "Distellery Division" ("Demerged Undertaking") of K M Sugar Mills Limited ("Demerged Company") into KM Spirits and Allied Industries Limited ("Resulting Company") and their respective shareholders and creditors under the provisions of

NOTARY R.C. VERMA ADV. & NOTARY Lucknow (U.P.) Regd. No. 31/64/2000 GOVT. OF UTTAR PRADESH

Sworn and Verified before me.

R. C. VERMA
Adv. & NOTARY
Collectorate Court
Lucknow U.P. India
Regd. 31/64/2000

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KM Spirits & Allied Industries Ltd.

(Director)

08

Section 230 - 232 of the Companies Act, 2013 ("Scheme"/ "Scheme of Arrangement").

3. That the Hon'ble National Company Law Tribunal, Allahabad Bench ("Hon'ble Tribunal") vide its Order dated August 19, 2026 was pleased to grant its sanction to the abovementioned Scheme of Arrangement.

4. That in compliance of the Order dated August 19, 2026 passed by the Hon'ble Tribunal, the self-certified copy of the approved Scheme and the Schedule of Assets and Liabilities of the Distillery Division ("Demerged Undertaking") of Petitioner Company 1 / Demerged Company as on the Appointed date i.e., April 01, 2026 is annexed herewith and marked as **ANNEXURE – 1**, for obtaining the formal order of the Hon'ble Tribunal in Form CAA-7 having sanctioned the said Scheme of Arrangement.

5. That the contents of paragraph nos. 1 to 4 are true to the best of my knowledge and belief.

K[illegible] Spirits & Allied Industries Ltd.

(Director)

DEPONENT

NOTARY
R.C. VERMA
ADV. & NOTARY
Lucknow U.P. India
Regd. No. 31/54/2000
GOVT. OF UTTAR PRADESH

VERIFICATION

I, the deponent above named, do hereby verify that the contents of my above affidavit are based on the records of the Petitioner Company 2/ Resulting Company and believed by me to be true, no part of it is false and nothing material has been concealed therefrom.

Verified on this 02 day of 09, 2026 at Lucknow.

K[illegible] Spirits & Allied Industries Ltd.

(Direc

DEPONENT

Sworn and Verified before me.

R. C. VERMA
ADV. & NOTARY
Collectorate Court
Lucknow U.P. India
Regd. 31/54/2000

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SCHEME OF ARRANGEMENT FOR DEMERGER BETWEEN

K M SUGAR MILLS LIMITED
("DEMERGED COMPANY" or "KMSM")

AND

K M SPIRITS AND ALLIED INDUSTRIES LIMITED
("RESULTING COMPANY" or "KMSAIL")

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
(UNDER SECTION 230 TO 232 OF THE COMPANIES ACT, 2013)

CERTIFIED TRUE COPY

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PREAMBLE OF THE SCHEME

A. AN OVERVIEW OF THE SCHEME OF ARRANGEMENT

1. This Scheme of Arrangement for Demerger (*as defined hereinafter*) of Distillery Division ("Demerged Undertaking") (*as defined hereinafter*) of K M Sugar Mills Limited ("Demerged Company") (*as defined hereinafter*) into K M Spirits and Allied Industries Limited ("Resulting Company") (*as defined hereinafter*) on a going concern basis, is presented under the provisions of Section 230 -232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 as may be applicable and in accordance with Section 2(19AA) and other relevant provisions of the Income-tax Act, 1961.

2. Presently, the Resulting Company is the wholly owned subsidiary of the Demerged Company, and pursuant to the effectiveness of the Scheme, all the equity shares of the Resulting Company as held by the Demerged Company shall stand cancelled, and the Resulting Company shall have replica shareholding as that of the Demerged Company.

3. In consideration of the transfer of the Demerged Undertaking by the Demerged Company, the Resulting Company shall issue its equity shares to the shareholders of the Demerged Company, in the same proportion in which they hold the equity shares in the Demerged Company, on the basis of the share entitlement ratio, as provided in Part 3 of this Scheme of Arrangement.

4. The equity shares of the Resulting Company will be listed and/or admitted to trading on the BSE and NSE, which have nationwide trading terminals.

5. In addition, this Scheme of Arrangement also provides for various other matters consequential or otherwise integrally connected herewith.

K M SUGAR MILLS LTD. * LUCKNOW *

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B. BACKGROUND AND DESCRIPTION OF COMPANIES

1. **K M SUGAR MILLS LIMITED (hereinafter also referred to as 'KMSM' or 'Demerged Company')**, bearing CIN L15421UP1971PLC003492 was incorporated on December 17, 1971, under the provisions of Companies Act, 1956 as a private company with the name & style of "K M Sugar Mills Private Limited" under the jurisdiction of Registrar of Companies, Kanpur (Uttar Pradesh). Subsequently, on April 20, 2005, the name of the Demerged Company was changed to its present name, i.e., "K M Sugar Mills Limited", pursuant to obtaining the status of a Public Company. The Registered office of the Demerged Company is presently situated at 76, Eldeco Greens, Gomtinagar, Lucknow, Uttar Pradesh - 226010. In accordance with the main objects of the memorandum of association, the Demerged Company is engaged in a diversified business of manufacturing and selling sugar and other businesses, including the running of a bagasse-based cogeneration Power plant ('Sugar Manufacturing Division') and Distillery business, manufacturing, selling and distributing, the Rectified Spirit, Ethanol, Country Liquor and Extra Neutral Alcohol (ENA). Further, the main objects of the memorandum of association also permit the company to carry on the business in the field of mineral water, beverages, laminates, boards, fertilizers, power and to utilize the by-products in related ventures. The Equity Shares of the Demerged Company are listed on the bourses of BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

2. **K M SPIRITS AND ALLIED INDUSTRIES LIMITED (hereinafter also referred to as 'KMSAIL' or 'Resulting Company')** bearing CIN U15100UP2018PLC101321 was incorporated on February 23, 2018, under the provisions of Companies Act, 2013 as a public limited company with the name & style of "K M Spirits and Allied Industries Limited" under the jurisdiction of Registrar of Companies, Kanpur. The Registered office of the Resulting Company is presently situated at 76, Eldeco Greens, Gomtinagar, Lucknow, Uttar Pradesh - 226010. The main object of the memorandum of association of the Resulting Company includes the manufacturing, packaging, selling and distribution of Rectified Spirit, Ethanol, Country Liquor and Extra Neutral Alcohol (ENA), other alcoholic beverages. Further, the main objects of the memorandum of association of the

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K M SUGAR MILLS LTD. LUCKNOW
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For K.M. Spirits & Allied Industries Ltd.

Resulting Company also permit the company to carry on the business in the field of energy and related consultancy services. The Resulting Company is a wholly owned subsidiary of the Demerged Company.

C. RATIONALE FOR THE SCHEME OF ARRANGEMENT

The Demerged Company is engaged in a diversified range of businesses, broadly categorized into two business divisions - (1) manufacturing and selling of sugar and other business including the running of a bagasse-based cogeneration Power plant ('Sugar Manufacturing Division') and (2) Distillery business manufacturing, selling and distribution of Rectified Spirit, Ethanol, Country Liquor and Extra Neutral Alcohol (ENA).

1. Both the above businesses have their own distinct business dynamics, regulatory environment, customer base and their needs. There is a clear distinction in the growth prospects and risk profile of the two business divisions.

2. Over the years, the Distillery Division has matured into a robust and independent business with substantial growth potential. Given the dynamic growth, the Distillery Division is now well-positioned to pursue its own strategic and operational priorities as a separate entity.

3. The nature of risk, competition, challenges, opportunities and business methods for the Distillery Division is separate and distinct from the Remaining Business (*as defined hereinafter*) carried out by the Demerged Company. Further, the way the Distillery Division is required to be handled and managed is not similar to that of the Remaining Business.

4. In order to provide enhanced focus to the operations of the Demerged Undertaking, the Companies have proposed to segregate and organise the Distillery Division as a separate entity. Therefore, the Scheme is being proposed to demerge the Distillery Division of the Demerged Company into the Resulting Company, which is expected to yield the following benefits:

   i. In light of the distinct operational characteristics of the Distillery Division, including seasonality, regulatory oversight, policies and subsidy framework, the establishment of

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an independent entity focusing exclusively on the Distillery Division will enable exploration of sector-specific opportunities, a sharper focus and enhance operational efficiency.

ii. Segregating the Distillery Division will provide greater strategic flexibility to tailor approaches specific to its unique operational and market dynamics, enabling it to realize its full potential while effectively de-risking the businesses from one another.

iii. Unlocking shareholders' value by enabling independent, market-driven valuation of the Distillery Division through the listing of the equity shares of the Resulting Company on the Stock Exchanges on which shares of the Demerged Company are listed, pursuant to the Scheme, thereby offering shareholders the option and flexibility to continue their investment in a Distillery business-focused listed entity.

iv. The separation of businesses with distinct risk and return profiles will enable each independent entity to attract different sets of investors, strategic partners, lenders and other stakeholders, thereby enhancing focused capital raising, future expansion and new growth opportunities.

v. The Resulting Company will be better positioned to align its resources, talent, marketing strategies, and innovation initiatives around a singular sector, which will, in turn, strengthen its competitive advantage and enable the creation of a more agile and efficient management structure.

vi. The Demerger will provide greater transparency in the performance of each entity, enabling a clearer focus on their respective growth trajectories. This will allow both entities to build their strong brand presence. Thus, this enhanced visibility will contribute to long-term stability and further strengthen the companies' future portfolios.

vii. The demerger will help each of the entities to channelize resources required for all the businesses to focus on the growing businesses and attract the right talent, and provide enhanced growth opportunities to existing talent in line with a sharper strategic focus on each business segment under separate entities.

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D. Accordingly, the Board of Directors of the Demerged Company and the Resulting Company, have decided to make requisite applications and/or petitions before the Hon'ble NCLT, as applicable under Section 230 - 232 and other relevant provisions of the Act and in compliance with Section 2(19AA) of the IT Act, for sanction of this Scheme.

E. The Scheme of Arrangement has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the said provisions at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the IT Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2 (19AA) of the IT Act. The Demerged Company and the Resulting Company shall comply with the provisions of Section 72A (4) and (5) of the IT Act for the transfer of unabsorbed depreciation and accumulated losses, if any, related to the Demerged Undertaking of the Demerged Company to the Resulting Company.

F. PARTS OF THE SCHEME:

Part I – This part of the Scheme sets forth the definitions, capital structure of the Demerged Company and Resulting Company, date of taking effect and implementation of this Scheme.;

Part II – This part of the Scheme deals with Transfer and Vesting of Demerged Undertaking of K M Sugar Mills Limited ("Demerged Company") into K M Spirits and Allied Industries Limited ("Resulting Company") on a going concern basis, in accordance with the provisions of Section 230-232 of the Companies Act, 2013 and in accordance with Section 2(19AA) and other applicable provisions of the IT Act;

Part III – This part of the Scheme deals with the issuance of shares by the Resulting Company, to the shareholders of the Demerged Company and the Accounting Treatment adopted for the Demerger;

Part IV – This part of the Scheme contains the general terms and conditions as applicable and sets forth certain miscellaneous provisions that form a part of this Scheme.

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PART 1

GENERAL PROVISIONS

1.1 DEFINITIONS:

In this Scheme, unless repugnant to the subject or context or meaning thereof, the following expressions shall have the same meanings as set out herein below:

1.1.1 **"Act"** means the Companies Act, 2013 including any rules, regulations, circulars, directions or guidelines issued thereunder and any statutory modifications, re-enactments or amendments thereof from time to time;

1.1.2 **"Applicable Laws" or "Laws"** includes all applicable statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, tribunal, SEBI, court or recognized stock exchange of India or any other country or jurisdiction as applicable.

1.1.3 **"Appointed Date"** means April 01, 2026 or such other date as may be approved by the Hon'ble National Company Law Tribunal of the relevant jurisdiction or by such other competent authority having jurisdiction over the Demerged Company and the Resulting Company;

1.1.4 **"Board" or "Board of Directors"** shall mean Board of Directors of the Demerged Company or the Resulting Company, as the case may be, and unless it be repugnant to the context or otherwise, include a committee of directors or any person(s) authorized by the Board of Directors or such committee of directors;

1.1.5 **"BSE"** means the BSE Limited;

1.1.6 **"Companies"** means the Demerged Company and Resulting Company collectively, unless

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used in the context of describing any applicable law;

1.1.7 **"Company"** means either the Demerged Company or the Resulting Company, as the context may require or admit, and shall be construed accordingly in the relevant provisions of this Scheme;

1.1.8 **"Demerged Company" or "KMSM" shall mean K M Sugar Mills Limited, incorporated** on December 17, 1971, under the provisions of the Companies Act, 1956, having registered office at 76, Eldeco Greens, Gomtinagar, Lucknow, Uttar Pradesh – 226010;

1.1.9 **"Demerged Undertaking" or "Distillery Division"** means business, undertakings, properties, operations, assets and liabilities, of the Demerged Company pertaining to its Distillery business (as specifically set forth in the Schedule attached) as on the Appointed Date on a going concern basis inter alia the following:

i. Assets and property relating to or arising from the activities and operations of the Distillery business *(As specified in the Schedule - Part -I)*, whether movable or immovable (whether freehold, leasehold or licensed including manufacturing units), real or personal, corporeal or incorporeal, present, additional, contingent, tangible or intangible, including but not limited to Intellectual Property, inventory (including raw material, packaging material, work in progress inventory, goods in transit/ stored at depots or warehouses, finished products inventory, etc.), factory buildings, plant and machinery, capital work-in progress, furniture, fixtures, office equipment, computer software and licenses, appliances, accessories, vehicles, cash and bank balance, current assets, sundry debtors, outstanding loans, deposits, provisions, advances, receivables, funds, leases of kinds of property, licenses, tenancy rights, hire purchase and sub-lease arrangements, benefits of agreements, contracts and arrangements, insurance policies;

ii. Investments (including shares whether in dematerialized or physical form, scripts, stocks, bonds, debenture stock, units, pass through certificates or security receipts) *(As Specified in the Schedule - Part -I)* pertaining to the Distillery

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Division including the investments, cash balances with the other banks, money at call and short notice, loans, advances;

iii. Rights and licenses, Membership assignments and grants thereof, permits, registrations, quota rights, import quotas, rights (including rights under any agreement, contracts, applications, letters of intent, or any other contracts), subsidies, grants, tax credits, incentives or schemes of central/ state governments, quality certifications and approvals, product registrations (both Indian and foreign), regulatory approvals, entitlements, industrial and other licenses, municipal permissions, goodwill, approvals, consents, tenancies, if any in relation to the office and/or residential properties for the employees, investments and/or interest (whether vested, contingent or otherwise) in projects undertaken by the Demerged Undertaking *(As specified in the Schedule - Part -II)*, either solely or jointly with other parties, cash balances, bank balances, bank accounts, deposits, advances, recoverable, receivables, easements, advantages, financial assets, hire purchase and lease arrangements, the benefits of bank guarantees issued by Demerged Company in relation to the Demerged Undertaking. Any power of attorney executed by the Demerged Company in relation to the Demerged Undertaking shall stand cancelled and simultaneously, the Resulting Company shall, where required, execute new powers of attorney to ensure uninterrupted continuity of operations and legal authority against any proceeding before a legal, quasi-judicial authority or any other statutory authority to which the Demerged Company was a party, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits of agreements, contracts and arrangements and other interests in connection with or relating to the Demerged Undertaking.

iv. Intellectual property and intellectual property rights, brands, logos, designs, labels, tradenames and trademarks of the Demerged Company in relation to the Distillery Division *(As specified in the Schedule - Part -I)* (including any applications for the same), including books, records, files, papers, engineering and process

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information, computer programs, software licenses (whether proprietary or otherwise), research and studies, technical knowhow and other benefits, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier, and other records whether in physical or electronic form in connection with or pertaining to Distillery Business only;

v. The Employees engaged in the Demerged Undertaking, including gratuity, employee insurance, provident fund contribution, superannuation benefits, other liabilities, employee welfare benefits or other compensation or benefit, if any, whether in the event of death, retirement, retrenchment or otherwise;

vi. Pending suits/ appeals, taxation or other proceedings, including before any statutory or quasi-judicial authority or tribunal or other proceedings of whatsoever nature pertaining to the Distillery Division *(As specified in the Schedule - Part -III)* which are capable of being continued by or against the Resulting Company under Applicable Law;

vii. Debts, liabilities, including contingent liabilities, duties, taxes, and obligations, whether present or future, whether secured or unsecured, pertaining to the Distillery Division and/ or arising out of and/ or relatable to the Demerged Undertaking *(As specified in the Schedule - Part -I)*, including:

a. The debts, duties, liabilities, and obligations which arise out of the activities or operations of the Distillery Division';

b. Specific Loans and/ or borrowing raised, incurred and/ or utilized solely for the activities or operations of the 'Distillery Division' ;

c. Existing securities, mortgages, charges, and other encumbrances subsisting over and in respect of the property and assets of the Distillery Division;

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A provisional Schedule of Assets and Liabilities of the Distillery Division as on June, 30, 2025 is attached hereto and marked as Schedule, which shall be subject to modification to reflect the position as existing on the Appointed Date.

viii. Employees of the Demerged Company substantially engaged in the Demerged Undertaking and those employees who are determined by the Board of Directors of the Demerged Company to be substantially engaged in or in relation to the Demerged Undertaking;

ix. Advances, deposits and balances with Government, Semi-Government, Local and other authorities and bodies, customers and other persons, earnest moneys and/or security deposits paid or received by the Demerged Undertaking of the Demerged Company;

x. In case of any question that may arise as to whether any particular asset or liability and/or employee pertains or does not pertain to the 'Distillery Division' of the Demerged Company, the same shall be decided by the Board of Directors of the Demerged Company;

1.1.10 "Demerger" means transfer by way of a demerger of the Demerged Undertaking of the Demerged Company to the Resulting Company on a going concern basis and the consequent issue of equity shares by the Resulting Company to the shareholders of the Demerged Company in accordance with the Share Entitlement Ratio, in compliance with the provisions of Section 2(19AA) and other relevant provisions of the IT Act;

1.1.11 "Effective Date" means the date or the last date of the dates on which all the conditions and matters referred to in Clause 4.2 of the Scheme occur or have been fulfilled, obtained

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or waived, as applicable, in accordance with this Scheme.

References in this Scheme to the "date of coming into force of this Scheme" or "upon the Scheme becoming effective" or effectiveness of the Scheme" shall mean the effective date.

1.1.12 **"Ind AS"** shall mean the Indian Accounting Standards notified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time;

1.1.13 **"IT Act"** means the Income-tax Act, 1961, together with all applicable orders, ordinances, directions, including circulars and notifications and similar legal enactments, in each case issued under the Income-tax Act, 1961;

1.1.14 **"NCLT" or "Tribunal" or "National Company Law Tribunal"** means the Hon'ble National Company Law Tribunal, having relevant jurisdiction over the respective Companies, or, as the case may be, or any other appropriate forum or authority empowered to approve the present Scheme of Arrangement as per the Applicable Law for the time being in force;

1.1.15 **"NSE"** means the National Stock Exchange of India Limited;

1.1.16 **"Record Date"** means the date which will be fixed by the Board of Directors of the Resulting Company in consultation with the Demerged Company, after the Effective Date, with reference to which the eligibility of the equity shareholders of the Demerged Company, for the purposes of issue and allotment of shares of the Resulting Company, in terms of the scheme, shall be determined;

1.1.17 **"Registrar of Companies" or "RoC"** means the Registrar of Companies, having relevant jurisdiction over the Companies, as the case may be;

1.1.18 **"Remaining Business"** means all the businesses, activities, operations, undertakings and assets and liabilities of the Demerged Company other than those forming part of the Demerged Undertaking;

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1.1.19 **"Resulting Company" or "KMSAIL"** shall mean 'K M Spirits and Allied Industries Limited', a Company incorporated on - February 23, 2018, under the provisions of the Companies Act, 2013, having registered office at 76, Eldeco Greens Gomtinagar, Uttar Pradesh – 226010;

1.1.20 **"Rules"** means Companies (Compromises, Arrangements and Amalgamations) Rules, 2016;

1.1.21 **"Rupees" or "Rs." or "INR"** shall mean the lawful currency of the Republic of India;

1.1.22 **"Scheme" or "Scheme of Arrangement"** means this Scheme of Arrangement for Demerger of Demerged Undertaking of Demerged Company into the Resulting Company under section 230-232 of the Companies Act, 2013 as approved by the Board of Directors of the respective Companies, in its present form and with any modifications as may be approved by the NCLT or any other government authority or by the Board of the Companies in accordance with the terms thereof;

1.1.23 **"SEBI"** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;

1.1.24 **"SEBI LODR Regulations"** means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes any amendments, modifications or any enactment thereon;

1.1.25 **"SEBI Master Circular"** means Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, issued by SEBI or any other circular issued by SEBI applicable to the Scheme of Arrangement for Demerger from time to time;

1.1.26 **"Stock Exchanges"** shall mean BSE Limited and National Stock Exchange of India Limited.

In this Scheme, unless the context otherwise requires, (i) words denoting the singular shall include the plural and vice versa; (ii) reference to any law or legislation or regulation shall include amendments, circulars, notifications, clarifications, or supplements to, or

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replacement, re-enactment, restatement, or amendment of, that law or legislation or regulation and shall include the rules and regulations thereunder; and (iii) all terms and words not defined in this Scheme shall unless repugnant or contrary to the context or meaning thereof, have the same meaning as prescribed to them under the Act, IT Act, or any other Applicable Laws, rules, regulations, or bye laws, as the case may be.

1.2 DATE OF EFFECT AND OPERATIVE DATE:

The Scheme set out herein in its present form or with any modification(s), if any, made as per Clause 4.3 of PART-4 of this Scheme shall be effective from the Appointed Date but shall come into force from the Effective Date.

1.3 CAPITAL STRUCTURE:

The Capital Structure of the Demerged Company and the Resulting Company as on March 31, 2025 are as under:

1.3.1 K M SUGAR MILLS LIMITED ('Demerged Company')

Particulars	Amount (Rs.)
Authorized Share Capital 10,00,00,000 Equity Shares of Rupees 2/- each	20,00,00,000
Total	**20,00,00,000**
Issued, Subscribed and Paid-Up Share Capital 9,20,00,170 Equity shares of Rupees 2/- each	18,40,00,340
Total	**18,40,00,340**

1.3.2 K M SPIRITS AND ALLIED INDUSTRIES LIMITED ('Resulting Company')

Particulars	Amount (Rs.)
Authorized Share Capital 50,000 Equity Share of Rupees 10/-each	5,00,000
TOTAL	**5,00,000**

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Issued, Subscribed and Paid-up Share Capital 50,000 Equity Share of Rupees 10/-each fully paid up	5,00,000
TOTAL	**5,00,000**

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PART 2

TRANSFER & VESTING OF DEMERGED UNDERTAKING

2.1 Upon this Scheme becoming effective and with effect from the Appointed Date,

2.1.1 The Demerged Undertaking shall, in accordance with the Section 2(19AA) of the IT Act, Section 230 - 232 of the Companies Act, 2013 and Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of law for the time being in force, and pursuant to the orders of the Hon'ble National Company Law Tribunal (s) or other appropriate authority or forum, if any, sanctioning the Scheme, without any further act, instrument, deed, matter or thing, stand vested in the Resulting Company, on a going concern, together with its properties, assets, rights, titles, benefits, liabilities, obligations and interest **as specifically set forth in the Schedule**.

2.1.2 It is hereby clarified that, notwithstanding anything stated herein, Remaining Business (in whole or part) shall continue to belong to, remain with, vest in, and be managed by the Demerged Company, in its normal course of business.

2.2 TRANSFER OF ASSETS

Without prejudice to the generality of Clause 2.1 above:

2.2.1 Upon this Scheme becoming effective and with effect from the Appointed Date, any assets relating to the Demerged Undertaking *(As specified in the Schedule - Part -I)* that are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and acknowledgement of possession pursuant to this Scheme, shall stand transferred and vested as such by the Demerged Company and shall become the property and an integral part of the Resulting Company without any further act, instrument or deed subject to the provisions of this scheme in relation to encumbrances in favour of banks and / or financial institutions, if any. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or

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endorsement, as appropriate to the property being vested, and shall be deemed to have been transferred accordingly.

2.2.2 Upon this Scheme becoming effective and with effect from the Appointed Date, *all other movable assets* of the Demerged Company relating to the business of Demerged Undertaking *(As specified in the Schedule - Part -I)* excluding those specified in sub-clause 2.2.1 above, i.e. Sundry Debtors, outstanding loans and advances and other current assets, if any, recoverable in cash or in kind or for value to be received, cash & bank balances and deposits, shall without any further act, instrument or deed, become the property of the Resulting Company

2.2.3 Upon the coming into effect of this Scheme and with effect from the Appointed Date, contracts, agreements, memorandum of undertakings, memorandum of agreements, letters of agreed points, arrangements, undertakings, deeds, bonds, schemes, arrangements, if any and other instruments of whatsoever nature in relation to the Demerged Undertaking to which the Demerged Company are a party or to the benefits, rights, duties and liabilities of which, the Demerged Undertaking may be eligible and which are subsisting or having effect immediately before the Effective Date shall be in full force and effect, on or against or in favor of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or oblige thereto.

2.2.4 Upon this Scheme becoming effective and with effect from the Appointed Date, assets, estate, rights, title, interest and authorities acquired by the Demerged Company after the Appointed Date and prior to the Effective Date pertaining to the Demerged Undertaking as decided by the Board of Directors of the demerged company be transferred to and vested in the Resulting Company.

2.2.5 Upon this Scheme becoming effective and with effect from the Appointed Date, immovable properties , of the Demerged Company, whether freehold or leasehold or licensed properties (including but not limited to capital works in progress, land, buildings, and any other rights, titles, interests, and easements in relation thereto) forming part of the Demerged Undertaking *(As specified in the Schedule – Part -I)* shall

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become the property of the Resulting Company and be vested in the Resulting Company or be deemed to have been so, without any act or deed to be done or executed by the Demerged Company and/or the Resulting Company subject to obtaining necessary approvals, permissions, payment or consents of the Government of Uttar Pradesh or any other relevant authority.

2.2.6 Without prejudice to the generality of Clause 2.2.5 above, upon this Scheme becoming effective and with effect from the Appointed Date, the rights, interests and claims of the Demerged Undertaking in the leasehold property shall be sub leased to Resulting Company after making necessary payments as per the terms of Sub-lease deed and subject to obtaining necessary approvals, permissions, Payment or consents of the Government of Uttar Pradesh or any other relevant authority, as specified in Part - I of the Schedule annexed hereto.

2.2.7 Upon this Scheme becoming effective and with effect from the Appointed Date, Intellectual Property and rights thereto of the Demerged Company that exclusively forms part of the Distillery Division *(As specified in the Schedule - Part -I)*, whether registered or unregistered, along with rights of commercial nature including attached goodwill, title, interest, and other interests relating to the goods or services and forming part of the Demerged Undertaking, shall become the property of and/or stand vested in, the Resulting Company. Further, the Resulting Company is hereby granted the right to use the word **"KM"**, as associated with the Demerged Undertaking, in connection with its corporate name, brand names, trademarks, products, programmes, or services, whether present or future. This right is limited to the use of the word **"KM"** alone in relation to the distillery business and does not extend to, nor confer any entitlement to, the use of any other logo or trademark of the Demerged Company. The Companies may enter into appropriate arrangements in respect of the use or license, for no charge, by the Demerged Company of the Intellectual Property which is transferred to the Resulting Company under this Scheme or vice versa for such transition period or on a long-term basis as the Boards may deem fit.

2.2.8 Upon the coming into effect of this Scheme and with effect from the Appointed Date,

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statutory licenses, no-objection certificates, permissions, approvals, consents, quotas, rights, entitlements, trade mark licenses including application for registration of trade mark, licenses including those relating to privileges, powers, facilities *(As specified in the Schedule - Part -I & II)*, in relation to the Demerged Undertaking shall stand transferred to or vested in the Resulting Company, without any further act or deed done by the Demerged Company and the Resulting Company.

2.2.9 In so far as various incentives, subsidies, exemptions, remissions, reductions, indirect Tax related benefits, including GST benefits, service Tax benefits, indirect Tax related assets/credits, including but not limited to goods and service Tax input credits (if transferable),credits or set-off, TDS/TCS credits or set-off (to the extent remaining unutilized on the Appointed Date), income Tax holiday/ benefits/ losses/ minimum alternative Tax and other benefits or exemptions or privileges enjoyed (to the extent remaining unutilized on the Appointed Date), granted by any Appropriate Authority or by any other person, or availed of by the Demerged Company are concerned, the same shall, together with any corresponding obligations, without any further act or deed, in so far as they relate to the business of Demerged Undertaking, vest with and be available to the Resulting Company on the same terms and conditions as were available with the Demerged Company and as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Resulting Company, to the end and intent that the right of the Demerged Company related to the business of Demerged Undertaking to recover or realize the same, shall become the right of the Resulting Company and/or stands vested in the Resulting Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.

2.2.10 On and from the Effective Date, cheques, other negotiable instruments, electronic fund transfers (such as NEFT, RTGS, etc.), and payment orders received or presented for encashment in the name of the Demerged Company, in connection with the business of the Demerged Undertaking, shall be accepted by the Demerged Company in trust of the Resulting Company. Further, the Demerged Company shall make necessary arrangements to ensure that such instruments/electronic transfers are promptly transferred to and deposited into the designated bank account(s) of the Resulting Company, including any existing or future accounts maintained by the

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Resulting Company.

2.2.11 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, in order to ensure the smooth transition and sales of distillery products and its inventory manufactured and / or branded and / or labelled and / or packed in the name of the Demerged Company prior to the Effective Date insofar as they relate to the Demerged Undertaking, the Resulting Company shall have right to own, use, market, sell, exhaust or to in any manner deal with such products and inventory (including packing material) pertaining to the Demerged Company at manufacturing locations or warehouses or elsewhere, without making any modifications whatsoever to such products and / or their branding, packing or labelling . All invoices/ payment related documents pertaining to such products and inventory (including packing material) may be raised in the name of the Resulting Company after the effective date.

Notwithstanding the fact that vesting of the Demerged Undertaking occurs by virtue of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of the Scheme; (ii) uninterrupted transfer of the relevant consents, approvals, patents, permissions, licenses, registrations, certificates etc.; and (iii) continued vesting of the benefits, exemptions available to the Demerged Company in relation to the Demerged Undertaking in favour of the Resulting Company, the Boards of the Demerged Company and the Resulting Company may at any time on or after the Effective Date, in accordance with the provisions hereof if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme.

2.3 TRANSFER OF LIABILITIES AND RELATED SECURITIES/ CHARGES

Without prejudice to the generality of Clause 2.1 above, upon this Scheme becoming effective and with effect from the Appointed Date:

2.3.1 All debts, liabilities, contingent liabilities, duties, loans, borrowings and obligations (including debenture, bonds, notes and other debt securities), secured or unsecured, bank/ performance guarantees, letter of credit including contingent liabilities, whether

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provided for or not in the books of accounts or disclosed in the balance sheets of the Demerged Company, in relation to and pertaining to the business of Demerged Undertaking *(As specified in the Schedule - Part -I)*, shall without any further act, instrument or deed or wherever required after following the due process prescribed by concerned lenders/creditors, be transferred to, and vested in, and/ or deemed to have been transferred to, and vested in, the Resulting Company, so as to become on and from the Appointed Date, the debts, liabilities, duties and obligations of the Resulting Company on the same terms and conditions as were applicable to the Demerged Company.

2.3.2 Charges, mortgages, hypothecations, liens, encumbrances, security interests, borrowings, and investment limits, of any nature whatsoever, which are created, undertaken, or availed of by the Demerged Company on the assets and properties forming part of the Demerged Undertaking, shall, without any further act, instrument, deed or approval, stand transferred to and be deemed to have vested in the Resulting Company, and shall be enforceable against or in relation to the assets and properties forming part of the Demerged Undertaking, in the same manner and to the same extent as they were enforceable against the Demerged Company prior to the effectiveness of this Scheme.

2.3.3 Notwithstanding the Scheme becoming effective, any charges, mortgages, hypothecations, liens, encumbrances, or other security interests created by the Demerged Company on the Remaining Business in relation to the Demerged Liabilities or any charges, mortgages, hypothecations, liens, encumbrances, or other security interests created by the Demerged Company on the assets of the Demerged Undertaking in relation to the Remaining Business, shall continue until the release of the respective charges, mortgages, hypothecations, liens, encumbrances, or other security interests by respective lender/creditors, on fulfilment of the terms and conditions as the lenders/creditors may specify in relation thereto. Until the release of these securities in terms of this Scheme, the existing security arrangements on the assets of the demerged undertaking in relation to the Remaining Business shall remain valid and enforceable.

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2.3.4 The Resulting Company shall have its own borrowing, security creation, and investment limits, independent of the Demerged Company. The Resulting Company shall obtain necessary approvals from its shareholders for any future enhancement of the above limits, as required under the Act and applicable laws.

2.3.5 Without prejudice to the provisions of the foregoing clauses and upon the Scheme becoming effective, the Demerged Company, if required, may separately execute any instruments or documents or do acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the ROC to give formal effect to the above provisions with the Resulting Company.

2.3.6 Where any of the Transferred Liabilities *(As specified in the Schedule - Part -I)* have been partially or duly discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company and liabilities and obligations incurred by the Demerged Company for the operations of the Demerged Undertaking which forms a part of the Demerged Company after the Appoint Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred/vested to the Resulting Company and shall become the liabilities and obligations of the Resulting Company.

2.3.7 Upon coming into effect of this Scheme and with effect from the Appointed Date, the Resulting Company, alone shall be liable to perform obligations towards their respective Transferred Liabilities, and the Demerged Company shall not have any obligations in respect of the Transferred Liabilities, and the Resulting Company shall indemnify the Demerged Company in this behalf.

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

2.3.8 It is clarified that any obligations, liabilities, undertakings, or covenants relating to the specified contingent liabilities, as defined hereinbelow, pertaining to the period prior to

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the Appointed Date shall, upon the Scheme becoming effective, be deemed to have been severally assumed by the Demerged Company and the Resulting Company in two third and one third proportion, respectively, under this Scheme. The parties shall cooperate to ensure that requisite modifications, novations, or consents are obtained, where required, to give effect to such segregation of obligations. Nothing in this Scheme shall be construed as prejudicing the rights of any third-party creditor or lender as against either company, save as provided herein or as otherwise agreed in writing.

Explanation: "Specified Contingent Liabilities" means the liabilities which are due or may crystallise under the Income Tax Act, 1961, (in respect of matters pending before the Commissioner, Appeal and Income Tax Appellate Tribunal) interest on cane price and commission thereon, sugar export and Country Liquor matters (Bihar) on account of business transactions undertaken by the Demerged Company on or before Appointed date.

2.3.9 Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Scheme, if approved by Hon'ble National Company Law Tribunal, shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

2.3.10 Any amount or expense incurred by the Demerged Company in relation to the Demerged Undertaking, including for any supply of goods, provision of services, or other consideration, prior to the Effective Date, shall be treated as a liability of the Resulting Company. The Resulting Company shall be responsible for reimbursing or settling such amounts with the Demerged Company, and such liabilities shall be discharged accordingly by the Resulting Company and the Demerged Company shall stand indemnified.

2.4 EMPLOYEE MATTERS

2.4.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the services of all employees of the Demerged Company employed in the Demerged Undertaking shall stand transferred to the Resulting Company, on the same terms and conditions at which these employees were engaged by the Demerged Company without

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any interruption of service as a result of the transfer. The Resulting Company also undertake to accept and abide by any change in terms and conditions that may be agreed/ affected by the Demerged Company with all their respective Employees between the Appointed Date and the Effective Date.

2.4.2 The Resulting Company agrees that the services of all such respective employees with the Demerged Company up to the Effective Date shall be taken into account for the purpose of all retirement benefits payable by the Resulting Company to their employees subsequently. The Resulting Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, such past services with the Demerged Company shall also be taken into account and agrees and undertakes to pay the same as and when payable.

2.4.3 In so far as the existing provident fund, gratuity fund and pension and/or superannuation fund, employees state insurance schemes, trusts, retirement fund or benefits and any other funds or benefits created by the Demerged Company for the Employees related to the respective Demerged Undertaking (collectively referred to as the "Funds"), the Funds and such of the investments made by the Funds which are preferable to the Employees related to each of the Demerged Undertaking, being transferred to the Resulting Company, in terms of Sub Clause 2.4.1 above shall be transferred to the Resulting Company and shall be held for their benefit pursuant to this Scheme. The Resulting Company in its sole discretion, will establish necessary Funds to give effect to the above transfer or deposit the same in the schemes governed under the applicable laws and rules made there under, as amended from time to time, namely Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and/or Employees State Insurance Act, 1948 and/or Payment of Gratuity Act, 1972. In the event that the Resulting Company does not have its own funds in respect of any of the above, the Resulting Company may, subject to necessary approvals and permissions, continue to contribute to the relevant funds of the Demerged Company, until such time that it create its own fund, at which time the funds and the investments and contributions pertaining to the Employees related to Demerged Undertaking shall be transferred to the funds created by the Resulting Company.

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2.5 LEGAL PROCEEDING

2.5.1 Upon the Scheme becoming effective, all legal, regulatory, and other proceedings (including those pending before any statutory, quasi-judicial, or judicial authority or tribunal) relating to the Demerged Undertaking, of any nature whatsoever, instituted by or against the Demerged Company and pending as on the Effective Date, shall not stand abated, discontinued, or prejudicially affected by reason of this Scheme and such proceedings shall be continued, prosecuted and enforced by or against the Resulting Company in the same manner and to the same extent as they would have been continued, prosecuted and enforced by or against the Demerged Company, had this Scheme not been implemented.

The Resulting Company shall, do all act, deed, or instrument, necessary to be substituted in place of the Demerged Company in all such proceedings relating to or in connection with the Demerged Undertaking (as more particularly described in Schedule Part III), and shall be entitled to prosecute, defend, and enforce such proceedings in its own name, to the complete exclusion of the Demerged Company. The Resulting Company shall indemnify and hold harmless the Demerged Company from and against any and all legal claims, actions, proceedings, liabilities, costs, and expenses arising out of or in connection with the Demerged Undertaking, from the Appointed Date whether existing prior to or arising after the Effective Date, to the full extent permitted by law.

2.5.2 The Resulting company shall also deal with legal or other proceedings, which may be initiated by or against the Demerged Undertaking or the Resulting Company after the Effective Date but relating to the Demerged Undertaking, in respect of the period up to the Effective Date, in their own name and account and to the extent possible, to the exclusion of the Demerged Company. The Resulting Company shall pay amounts, including interest, penalties, damages, etc., which the Demerged Company may be called upon to be paid or secured in respect of any liability or obligation relating to the Demerged Undertaking, for the period commencing on the Appointed Date and ending on the Effective Date. Any reasonable costs incurred by the Demerged Company in respect of the proceedings started by or against it relating to the Demerged Undertaking and for the period commencing on the Appointed Date and ending on the

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Effective Date shall be reimbursed by the Resulting Company, upon submission of necessary evidence of having incurred such costs by the Demerged Company to the Resulting Company.

2.6 TAXATION AND OTHER PROVISIONS

2.6.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the profits or income accruing or arising to the Demerged Undertaking, and expenditure or losses arising or incurred by the Demerged Undertaking shall, for purposes, be treated (including all taxes, if any, paid or accruing in respect of any profits and income) and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of the Resulting Company. Moreover, the Resulting Company shall be entitled to revise its statutory returns relating to indirect taxes like sales tax/ service tax/Goods and Service Tax (GST) / excise, etc. and to claim refund/credits and/or set off amounts under the relevant applicable laws, towards the transactions entered by it and Demerged Company which may occur between the Appointed Date and the Effective Date. The rights to make such revisions in the returns and to claim refunds/credits are expressly reserved in favour of the Resulting Company.

2.6.2 Both the Companies shall be entitled to revise its statutory returns relating to direct taxes, Income tax, and to claim refunds/advance tax credits and/or set off the tax liabilities of the Demerged Undertaking, under the relevant laws and its rights to make such revisions in the statutory returns and to claim refunds, advance tax credits and/or set off the tax liabilities is expressly granted.

2.6.3 It is expressly clarified that upon the coming into effect of this Scheme and with effect from the Appointed Date, taxes payable with respect to the Demerged Undertaking, including or any refunds of the claims/TDS Certificates, shall be treated as the tax liability or refunds/claims/TDS Certificates, as the case may be, of the Resulting Company.

2.6.4 Since each of the permissions, approvals, consents, sanctions, remissions, special

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reservations, incentives, concessions and other authorizations of the Demerged Undertaking shall stand transferred by the order of the NCLT to the Resulting Company, the Resulting Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning NCLT.

2.7 CONDUCT OF BUSINESS

2.7.1 During the period between the approval of the Scheme by the Board of the Demerged Company and the Resulting Company and the Effective Date:

i. Demerged Company shall be deemed to carry on its businesses and activities and stand possessed of its properties and assets, pertaining to its Demerged Undertaking for and on account of and in trust for the Resulting Company;

ii. Demerged Company shall carry on its businesses with reasonable diligence and in the same manner as it had been doing hitherto of the Demerged Undertaking, during the pendency of the Scheme before the NCLT of relevant jurisdiction;

iii. Demerged Company shall not, except in the ordinary course of business or with the written concurrence of the Resulting Company or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of the Resulting Company, as the case may be, alienate, charge, mortgage or encumber of the Demerged Undertaking;

2.7.2 With effect from the Appointed Date and up to the Effective Date or obtaining all requisite licenses as mentioned under clause 4.2.1.5, whichever is later, the Demerged Company shall carry out the business pertaining to the Demerged Undertaking on behalf of and in trust of the Resulting Company with reasonable diligence and in the same manner as it had been doing hitherto of the Demerged Undertaking;

2.7.3 With effect from the Appointed Date and up to and including the Effective Date or obtaining all requisite licenses as mentioned under clause 4.2.1.5 whichever is later, income, expenditures including management costs, profits accruing to the Demerged Company and taxes thereof or losses arising or incurred by it relating to the Demerged

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Undertaking shall, for all purposes, be treated as the income, expenditures, profits, taxes or losses, as the case may be, of the Resulting Company.

2.7.4 With effect from the Effective Date and subject to Clauses 2.7.2 & 2.7.3 above:-

i. the Resulting company shall be duly authorized to carry on the business of the Demerged Undertaking, previously carried on by the Demerged Company.

ii. the Resulting Company, unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy all the liabilities and obligations of the Demerged Undertaking with effect from the Appointed Date, in order to give effect to the foregoing provisions.

2.7.5 Upon the Scheme coming into effect and with effect from the Appointed Date, the Demerged Company shall, in the ordinary course of business, pursuant to and in accordance with the terms of this Scheme, continue the supply of molasses and power to the Resulting Company on mutually agreed terms & pricing formula.

2.7.6 The Demerged Company and the Resulting Company are expressly permitted to revise their Direct taxes like Income Tax, Sales Tax, VAT and other statutory returns, including, without limitation, TDS certificates and the right to claim refund, advance tax credits, etc., upon the Scheme becoming effective. It is specifically declared that the taxes paid by the Demerged Company relating to the period on or after the Appointed Date whether by way of deduction at source or advance tax, which pertains to the Demerged Undertaking, shall be deemed to be the taxes paid by the Resulting Company and the Resulting company shall be entitled to claim credit for such taxes deducted/paid against its tax liabilities notwithstanding that the certificates/challans or other documents for payment of such taxes are in the name of the Demerged Company.

2.7.7 The expenses incurred by the Demerged Company and the Resulting Company in relation to the Demerger of the Demerged Undertaking, including stamp duty expenses, if any, shall be allowed as deduction to the Demerged Company and the Resulting Company in accordance with Section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.

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2.7.8 From the Effective Date and till such time as the name of the Resulting Company would get entered as the account holder in respect of bank accounts and demat accounts pertaining to the Demerged Undertaking *(as specified in the Schedule)* in the relevant bank's/DP's books and records, the Resulting Company shall be entitled to operate the bank/demat/trading accounts of the Demerged Undertaking in its existing name.

2.7.9 Upon this Scheme being effective, the past track record of the Demerged Company relating to the Demerged Undertaking, including without limitation, the profitability, experience, credentials and market share, shall be deemed to be the track record of the Resulting Company only relating to the Demerged Undertaking for commercial and regulatory purposes including for the purposes of eligibility, standing, evaluation and participation of the Resulting Company in existing and future bids, tenders, and contracts of authorities, agencies and clients.

2.8 OTHER PROVISIONS

2.8.1 The Demerged Company and the Resulting Company may, after the Scheme becomes effective, for the sake of good order, execute amended and re-stated arrangements or confirmations or other writings, for the ease of the Demerged Company, the Resulting company and the counter party concerned in relation to the Remaining Business or the Demerged Undertaking, without any obligation to do so and without modification of any commercial terms or provisions in relation thereto.

2.8.2 Upon the Scheme becoming effective, the Demerged Company and the Resulting Company are jointly and severally authorized to file any application, declaration or other writings with the Government of Uttar Pradesh for sub-lease of the leasehold property and to give effect to this Scheme and to remove any difficulties in implementing the terms hereof with the Demerged Undertaking. Companies shall cooperate fully and execute necessary documents and perform such acts as may be required to give effect to such sub-lease in accordance with applicable laws. In the event that such approval is not granted or is subject to any conditions which materially affect the transfer, the Companies shall consult and mutually agree upon the course of

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action to be adopted, including but not limited to, seeking appropriate modifications to this Scheme or such other remedies as may be permissible under applicable law to implement the intent of this Scheme to the fullest extent possible.





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PART 3

ISSUE OF SHARES AND ACCOUNTING TREATMENT

3.1 ISSUANCE OF SHARES

3.1.1 Upon the coming into effect of the Scheme and in consideration of transfer and vesting of the Demerged Undertaking in the Resulting Company pursuant to Part 2 of the Scheme, the Resulting Company shall, without any further act or deed, issue and allot equity shares (hereinafter also referred to as the **"New Shares"**) credited as fully paid up equity shares, to the extent indicated below, on a proportionate basis to the members of the Demerged Company holding fully paid up equity shares in the Demerged Company and whose name appear in the register of shareholders and records of the depository as shareholders of the Demerged Company as on a Record Date, in the ratio as under:

"1 (One) equity share of face value of Rs. 10/- (Rupees Ten) each at par in the 'Resulting Company' for every 5 (Five) Equity Shares of face value of Rs. 2/- (Rupees Two) each held by them in the Demerged Company ("Share Entitlement Ratio")."

3.1.2 The above share entitlement ratio as outlined above is duly considered and certified in the Share Entitlement Report submitted by an Independent Registered Valuer, namely, Axiology Valuetech Private Limited, Registered Valuer Entity- all classes (Registration No. IBBI/RV-E/05/2023/201).

3.1.3 The abovementioned report issued by the Registered Valuer is certified by the Independent Merchant Banker, namely Corporate Professionals Capital Private Limited, by issuance of its fairness opinion on the said share entitlement report.

3.1.4 Simultaneously, with the aforesaid allotment of equity shares by the Resulting Company upon effectiveness of the Scheme, the existing equity shares of the Resulting Company as held by the Demerged Company shall stand cancelled and the Resulting Company shall issue its fresh equity shares to the shareholders of the Demerged Company in the same proportion in which they hold the equity shares in the Demerged Company thereby

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creating a replica shareholding structure in the Resulting Company.

3.1.5 Upon cancellation of the equity shares of the Resulting Company as held by the Demerged Company, the Resulting Company shall cease to be a wholly owned subsidiary of the Demerged Company and shall become as a separate and independent entity.

3.1.6 Notwithstanding anything to the contrary contained in this Scheme, upon this Scheme becoming effective, the entire pre-Scheme paid up share capital of the Resulting Company (held by the Demerged Company) shall stand cancelled and reduced by operation of law, without payment of any consideration or any further act or deed by either of the Demerged Company and Resulting Company, which shall be regarded as reduction of share capital of the Resulting Company pursuant to Sections 230-232 of the Act as an integral part of the Scheme. Accordingly, it shall be deemed that the members of the Resulting Company have also accorded their consent under relevant Articles of the Articles of Association of the Company and Section 66 and other provisions of the Act for giving effect to the provisions contained in this Scheme. Notwithstanding the reduction in the equity share capital of the Resulting Company, the Resulting Company shall not be required to add "And Reduced" as a suffix to its name.

3.1.7 The issue and allotment of the equity shares by the Resulting Company is an integral part hereof and shall be deemed to have been carried out under the orders passed by the NCLT without requiring any further act on the part of the Resulting Company or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law, were duly complied with. It is clarified that the approval of the members of the Resulting Company to this Scheme shall be deemed to be their consent/approval for the issue and allotment of the equity shares by the Resulting Company under applicable provisions of the Act.

3.1.8 Where the Equity Shares issued by the Resulting Company pursuant to clause 3.1.1 above are to be allotted to the heirs, successors, executors or administrators, as the case may be, to successors of the deceased equity shareholders or legal representative of the equity shareholders of the Demerged Company, the concerned heirs, successors, executors, administrators or legal representatives shall be obliged to produce evidence of title satisfactory to the Board of Directors of the Resulting Company.

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3.1.9 The fractional entitlements, if any, arising out of allotment of equity shares as per clause 3.1.1 above shall be consolidated and held by the Trust or Trustee, nominated by the Board of Directors of the Resulting Company on behalf of shareholders of the Demerged Company entitled to fractional entitlements with the express understanding that such trustee shall sell such shares in the market at such price as the trustee may deem fit, within a period of 90 days from the date of allotment of shares as per this Scheme and the Resulting Company shall distribute the net sale proceeds, subject to tax deductions and other expenses as applicable, to the shareholders of the respective Demerged Company in proportion to their respective fractional entitlements.

3.1.10 The said equity shares in the capital of the Resulting Company to be issued to the shareholders of the Demerged Company shall be subject to the provisions of the memorandum of association and article of association of the Resulting Company, as the case may be, and shall rank pari passu in respects, with the existing equity shares in the Resulting Company from the Appointed Date. Such shares in the Resulting Company, to be issued to the shareholders of the Demerged Company, will, for purposes, save as expressly provided otherwise, be deemed to have been held by each such member from the Appointed Date.

3.1.11 The equity shares issued by the Resulting Company pursuant to clause 3.1.1 above in respect of such Equity Shares of the Demerged Company that are subject to lock- in pursuant to the Applicable Law, shall remain locked-in as required under the SEBI Master Circular.

3.1.12 The equity shares to be issued by the Resulting Company in respect of the shares of the Demerged Company held in the Investor Education and Protection Fund, if any, shall be credited to the Investor Education and Protection Fund.

3.1.13 The equity shares issued by the Resulting Company, pursuant to Clause 3.1.1 in respect of any equity shares of the Demerged Company which are held in abeyance or which the Resulting Company is unable to issue due to non-receipt of relevant approvals or due to Applicable Laws or otherwise shall, pending allotment or settlement of dispute by order of NCLT or any court or otherwise, be held in abeyance by the Resulting Company or shall be dealt with as provided under the Applicable Law.

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3.1.14 Upon the Scheme becoming effective and subject to the above provisions, the equity shares issued by the Resulting Company in terms of this Scheme shall be issued in dematerialized form. Prior to the Record Date, the eligible shareholders of the Demerged Company, who hold shares in physical form shall be obligated to provide such confirmation, information and requisite details, relating to their demat account, to the Resulting Company to enable it to issue its equity shares as provided in sub clause 3.1.1 above.

3.1.15 If no such information is received from the eligible shareholder who holds shares of the Demerged Company in physical form, prior to the Record Date, the Resulting Company shall keep such shares in a Demat Suspense Account and he/she would be eligible to claim such shares in accordance with the procedure laid down under the Applicable Laws.

3.1.16 In the event of there being any pending and valid share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors or any committee thereof of the Demerged Company shall be empowered in appropriate cases, even subsequent to the Record Date, to effectuate such a transfer in the Demerged Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the Resulting company of such shares.

3.1.17 On approval of the Scheme by the members of Demerged Company and Resulting company, the issue and allotment of New Shares to the Shareholders of Demerged Company by the Resulting company, as provided in this Scheme, shall be deemed to be made in compliance with the procedure laid down under Section 62 read with 42 of the Companies Act, 2013 and no separate approval of shareholders of Resulting company would be required for issuance of fresh shares to the shareholders of Demerged Company.

3.1.18 Shares of the Resulting Company will be listed and/or admitted to trading on the BSE and NSE, which have nation-wide trading terminals. The Resulting Company shall apply for listing of its shares on the BSE and NSE and enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Law for the Resulting Company, including for seeking exemption from Rule 19(2)(b) of Securities Contracts (Regulation) Rules, 1957.

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3.1.19 The shares of the Resulting Company shall remain frozen in the depositories system till listing and trading permission is given by the Stock Exchanges. There shall be no change in the shareholding pattern or control in the Resulting Company between the Record Date and the listing which may affect the status of approvals received from the Stock Exchanges, other than as provided in the Scheme. The Resulting Company will not issue/reissue any shares, not covered under this Scheme, till the date of listing of the Resulting Company on the BSE and NSE pursuant to the Scheme. The Resulting company shall make requisite applications and shall otherwise comply with the provisions of SEBI Circulars and applicable law and take steps to procure the listing of equity shares issued by it.

3.1.20 In the event, the Demerged Company or the Resulting Company opts to restructure its equity share capital by way of share split/consolidation/issue of bonus shares or any other corporate action during the pendency of the Scheme, the Share Entitlement Ratio, per clause 3.1.1 above shall be adjusted accordingly, to consider the effect of such corporate actions.

3.2 ACCOUNTING TREATMENT

Upon this entire Scheme coming into effect, the Demerged Company and the Resulting Company shall account for the Demerger of the Demerged Undertaking, together, in their respective books of accounts, in accordance with accounting principles and accounting standard, as laid down and notified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time. Without prejudice to the generality of the aforesaid accounting treatment in respect of certain specific matters in books of accounts of the company shall be in the following manner:

3.2.1 Treatment in the books of the Demerged Company

i. The Demerged Company shall reduce the carrying value of all the assets, liabilities and reserves pertaining to the Demerged Undertaking *(As specified in Schedule-Part I)* as appearing in the books of account of the Demerged Company, being transferred to and vested in the Resulting Company from the respective book values of the Demerged Company;

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ii. The investment in the equity share capital of the Resulting Company held by the Demerged Company, as appearing in the books of accounts of the Demerged Company shall stand cancelled.

iii. The surplus/deficit, if any, arising between the carrying value of assets, liabilities and reserves pertaining to the Demerged Undertaking transferred to the Resulting Company, after providing for adjustments as stated in clauses i and ii above, shall be adjusted under the head 'other equity' of the Demerged Company.

3.2.2 **Treatment in the books of the Resulting Company**

i. The Resulting Company shall record all assets, liabilities and reserves of the Demerged Undertaking transferred to it pursuant to this Scheme at their respective book values as appearing in the books of the Demerged Company.

ii. The Resulting Company shall credit its share capital account with the face value of the equity shares issued to the shareholders of the Demerged Company in accordance with the Scheme.

iii. The existing paid-up Share Capital of the Resulting Company shall stand cancelled and the effect of the same shall be adjusted against under the head of 'other equity'.

iv. The difference between (A) the book value of assets minus liabilities and reserves so recorded in the books of the Resulting Company, and (B) the value of the equity shares issued and allotted by the Resulting Company to the shareholders of the Demerged Company (i.e., number of such equity shares issued multiplied by face value of such equity shares of the Resulting Company) as consideration, if any, shall be adjusted to the 'Other Equity ' of the Resulting Company.

v. In case of any differences in accounting policies of the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company shall prevail to ensure that the financial statements of the Resulting Company reflect the financial position on the basis of consistent accounting policies.

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vi. The inter-company balances between the Resulting Company and the Demerged Undertaking of the Demerged Company, if any, appearing in the books of the Resulting Company and / or the Demerged Company shall be decided by the Board of the Demerged Company and necessary adjustments to be made accordingly;

vii. Any matter not dealt with in clauses hereinabove shall be dealt with in accordance with the requirement of applicable Indian Accounting Standards.

3.3 INCREASE IN AUTHORIZED SHARE CAPITAL OF THE RESULTING COMPANY

3.3.1 Upon the Scheme becoming effective but prior to the issuance of equity shares by the Resulting Company, the authorized share capital of the Resulting Company shall stand altered, reclassified, and increased, without any further act, instrument, or deed on the part of the Resulting Company as under:

Authorized Share Capital	**INR**
2,00,00,000 equity shares of Rs. 10 each	20,00,00,000/-
Total	20,00,00,000/-

The Resulting Company shall pay the necessary stamp duty and registration fee, as may be applicable, for such increase in its authorized share capital in terms of the Act.

3.3.2 Consequently, the existing capital clause i.e. Clause V of the Memorandum of Association of the Resulting Company shall stand altered, modified, and amended and be substituted as follows:

"The Authorized Share Capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crores) divided into 2,00,00,000 (Two Crores) Equity Shares of Rs. 10 (Rupees Ten) each, with the rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being with the power to increase or reduce the capital of the Company and to divide or consolidate the shares in the capital for the

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time being to several classes as such manner as may be provided to the Companies Act 2013 as amended time to time."

3.3.3 On approval of the Scheme by the members of the Resulting Company pursuant to Section 230 -232 of the Companies Act, 2013, it shall be deemed that the said members have also accorded their consent for approval of the alteration of the Memorandum of Association and Article of Association of the Resulting Company and no separate resolution(s) under Section 13, 14 and 61 and other applicable provisions of the Act as may be applicable shall be required for giving effect to the provisions contained in this Scheme.

3.4 LISTING AGREEMENT AND SEBI COMPLIANCES

3.4.1 Since the Demerged Company is a listed company, this Scheme is subject to the compliances of the requirements under the listing regulations and statutory directives of the Securities Exchange Board of India ('SEBI') in so far as they relate to sanction and implementation of the Scheme.

3.4.2 Pursuant to Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Master Circular, the Scheme is required to be filed with the stock exchanges on which the equity shares of the Demerged Company are listed for obtaining prior approval or No objection letter/observation letter of the Stock Exchanges and SEBI. Accordingly, the Demerged Company in compliance with the listing Regulations shall apply for the in-principle approval of the Stock Exchanges, in terms of the Regulation 37 of the listing regulations.

3.4.3 As Para (A) (10) (a) of Part-I of the SEBI Master Circular is applicable to this Scheme, it is provided in the Scheme that the Demerged Company will provide voting by its public shareholders through e-voting and will disclose material facts in the explanatory statement, to be sent to the shareholders in relation to the said Resolution.

3.4.4 The Demerged Company shall also comply with the directives contained in the SEBI Master Circular.

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PART 4

GENERAL TERMS AND CONDITIONS

4.1 APPLICATION TO NCLT

4.1.1 The Companies shall, make all necessary applications and petitions to NCLT for sanctioning this Scheme under Sections 230 to 232 of the Act, including seeking such orders for convening and holding or alternatively, dispensing with requirements for convening and holding meetings of the shareholders and/or creditors of the Companies as may be directed by the NCLT and obtaining such other approval as may be required under applicable laws for effecting this Scheme.

4.1.2 The Companies shall be entitled, pending the effectiveness of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law for such consents and approvals, as agreed between the Companies, which the Companies may require to effect the transactions contemplated under the Scheme, in any case subject to the terms as may be mutually agreed between the Companies.

4.2 CONDITIONS FOR EFFECTIVENESS OF THE SCHEME:

4.2.1 The effectiveness of this Scheme is conditional upon:

4.2.1.1 Receipt of observation or no-objection letter by the Demerged Company from SEBI/ Stock Exchanges under Regulation 11 and 37 of the SEBI Listing Regulations, along with SEBI Master Circular in respect of the Scheme, on terms acceptable to the Companies;

4.2.1.2 Approval of this Scheme by the requisite majority in number and value of each class of shareholders and creditors of the Parties as applicable or as may be required under the Act and Applicable Law, and as may be directed by the Tribunal;

4.2.1.3 Sanctioning of the Scheme by the Hon'ble NCLT under Section 230-232 of the Act;

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4.2.1.4 Necessary certified copies of the order of the Hon'ble NCLT sanctioning this Scheme being filed with the RoC having jurisdiction over the Parties;

4.2.1.5 Obtaining all requisite licenses, registrations, permits, and approvals from the appropriate statutory, regulatory, and governmental authorities that are considered necessary for the lawful establishment and operation of the business.

4.2.2 On the approval of the Scheme by the shareholders and such other classes of Persons of the said Parties, if any, the shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the demerger set out in this Scheme, related matters and this Scheme itself.

4.2.3 It is hereby clarified that submissions of the Scheme to the NCLT and to Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, titles, or defences that the Demerged Company and/or the Resulting Company may have under or pursuant to Applicable law.

4.3 MODIFICATION/ AMENDMENT AND WITHDRAWAL OF THE SCHEME

4.3.1 The Board of Directors of the Companies including any Committee thereof may assent from time to time, on behalf of persons concerned including the shareholders, to any modifications or amendments or additions to the Scheme or to any conditions or limitations, which either the Board of Directors of the Companies may deem fit, or which the Tribunal and/or any competent authority, under the Applicable Laws may deem fit, to approve of or impose, and which the Board of Directors of the Companies may in their discretion, deem fit, and to resolve doubts or difficulties that may arise in carrying out and implementing this Scheme and to do acts, instruments, deeds, matters and things necessary or to review position relating to the satisfaction of the conditions of this Scheme and if necessary, to waive any of those (to the extent permissible under Applicable Laws) for bringing the Scheme into effect.

4.3.2 For the purpose of giving effect to the Scheme or to any modifications or amendments thereof, or additions thereto, the Board of Directors of the Demerged Company and

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the Resulting Company may give such directions as are necessary, directions for settling or removing any question of doubt or difficulty that may arise, and such determination or directions, as the case may be, shall be binding on the respective parties in the same manner as if the same were specifically incorporated in this Scheme.

4.3.3 The Demerged Company and Resulting Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the NCLT or any other authority is not on terms acceptable to them. Further, the Demerged Company shall be entitled, at its sole discretion, to withdraw from this Scheme at any time prior to the Effective Date, if it is of the opinion that such withdrawal is in the interest of the public shareholders, creditors or any other stakeholder or not viable from a commercial perspective or otherwise. In each such case, this Scheme shall stand null and void, and in that event, no assets/rights and/or liabilities whatsoever shall accrue between the Companies, their shareholders, creditors, employees, or any other person. In such a case, the Companies shall bear the cost equally, unless otherwise mutually agreed.

4.3.4 The Demerged Company and the Resulting Company, through mutual agreement of their respective Boards of Directors, may waive the conditions set forth under Clause 4.2.1.5, either in whole or in part.

4.4 DIVIDENDS

4.4.1 Demerged Company/ Resulting company shall be entitled to declare and pay dividends, if applicable, whether interim or final, to their respective shareholders in respect of the accounting period after the Appointed Date and prior to the Effective Date.

4.4.2 The holders of the shares of the Demerged Company/ Resulting company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective articles of association including the right to receive dividends.

4.4.3 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 member of the Demerged Company/ Resulting company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the respective Boards of Directors of the Demerged Company/ Resulting

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company and subject to the approval of the shareholders of the Demerged Company/ Resulting company respectively, if applicable.

4.5 SAVING OF CONCLUDED TRANSACTIONS

Nothing in this Scheme shall affect any transaction or proceedings already concluded or liabilities incurred by the Demerged Company in relation to the Demerged Undertaking until the Effective Date, to the end and intent that the Resulting Company shall accept and adopt all acts, deeds and things done and executed by the Demerged Company in respect thereto as done and executed on behalf of the Resulting Company.

4.6 PROPERTY IN TRUST

Notwithstanding anything contained in this Scheme, on or after Effective Date, until any property, asset, Permit, contract and rights and benefits arising therefrom pertaining to the Demerged Undertaking 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, the Resulting Company is deemed to be authorized to avail the property, asset, Permit, contract or the rights and benefits arising therefrom as if it were the owner of the property or asset or as if it were the original party to the Permit or contract. It is clarified that till entry is made in the records of the Appropriate Authorities and till such time as may be mutually agreed between the Companies, the Demerged Company will continue to hold the asset, property, permit, contract and/or rights and benefits arising therefrom, as the case may be, in trust for and on behalf of the Resulting Company.

4.7 VALIDITY OF EXISTING RESOLUTIONS

4.7.1 Upon the Scheme becoming effective, resolutions passed by the Demerged Company in relation to the Demerged Undertaking, which are valid and subsisting as on the Effective Date and are considered necessary by the Board of both the Companies, shall continue to remain in force and shall be deemed to have been passed by the Resulting Company. Further, where any of these resolutions involve monetary limits approved under the provisions of the Act or any other applicable statutory provisions, such limits, to the extent deemed appropriate by the Board of both the Companies, shall be added to the

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corresponding limits under similar resolutions passed by the Resulting Company, and the aggregate of such limits shall be treated as the total limits applicable to the Resulting Company. The Resulting Company shall take note of such resolutions at its first Board Meeting held after the effectiveness of the Scheme.

4.7.2 Upon the Scheme becoming effective, any power of attorney executed by the Demerged Company in relation to the Demerged Undertaking shall stand cancelled and simultaneously, the Resulting Company shall, where required, execute new powers of attorney to ensure uninterrupted continuity of operations and legal authority with respect to the Demerged Undertaking.

4.8 SEVERABILITY

4.8.1 The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to, only if the Scheme is approved in its entirety and given effect to in accordance with the terms of the Scheme, except to the extent that the Companies may otherwise agree in writing.

4.8.2 Subject to Clause 4.8.1 above, if any part of the Scheme is held to be invalid or ruled illegal by any court of competent jurisdiction, or unenforceable under Applicable Laws, then such part shall be severable from the remainder of the Scheme and the Scheme shall not be affected thereby, unless the deletion of such part shall cause the Scheme to become materially adverse to any party. In such a case, the Board of Directors of the Companies to which such part relates to shall attempt to bring about the modifications in the Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.

4.9 COSTS, CHARGES AND EXPENSES

Past, present and future costs, charges, levies, duties, and expenses (including stamp duty payable pursuant to transfer of Demerged Undertaking, if any) in relation to or in connection with or incidental to the Scheme or the implementation thereof shall be treated, as costs relating to the Demerger and shall be borne by the Demerged Company and Resulting Company equally.

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SCHEDULE OF ASSETS OF AND LIABILITIES OF THE DISTILLERY DIVISION
(DEMERGED UNDERTAKING)
AS ON 01.04.2026(opening)

PART – I

S.No.	Particulars	Amount as on 01.04.2026 opening *(in lacs)*
	ASSETS	
a)	Immovable Property (Factory Building at lease hold land) *(refer Note No. 1)*	**213.89**
b)	Plant and Equipment*(refer Note No. 2)*	4547.82
c)	Capital work in progress	947.53
d)	Intangible assets *(refer Note No. 3)*	1.87
e)	Non current tax assets (net)	-
f)	Investments *(refer Note No. 4)*	223.79
g)	Other financial assets *(refer Note No. 5)*	160.07
h)	Inventories	1,587.62
i)	Trade and other receivables	484.76
j)	Cash and cash equivalents	46.13
k)	Bank balances other than cash and cash equivalents *(refer Note No. 6)*	461.03
l)	Other assets *(refer Note No. 7)*	601.39
TOTAL ASSETS		**9275.90**
	LIABILITIES	
a)	Deferred tax liabilities (net)	424.63
b)	Non current tax liability (net)	25.96
c)	Provisions (Current Liability)	4.47
d)	Borrowings *(refer Note No. 8)*	577.37
e)	Trade and other payables (capital goods)	421.52
f)	Other financial liabilities*(refer Note No. 9)*	574.84
g)	Other current liabilities *(refer Note No. 10)*	80.71
h)	Provisions (Non-Current Liability)	490.93
TOTAL LIABILITIES		**2600.43**

Sworn and verified before me.

R. C. VERMA
Adv. & NOTARY
Collectorate Court
Lucknow U.P. India
Regd. 3[illegible]/2000

NOTE NO. 1: DETAILS OF IMMOVABLE PROPERTIES

SHORT DESCRIPTION OF THE LEASEHOLD PROPERTY OF THE DEMERGED UNDERTAKING

S. No.	Location	Built up Area in Sq.ft	Witten down value as on 01.04.2026 in Rs.	Remark
1.	**Lease hold Land at Motinagar, Masaudha, Faizabad to be subleased on approval by UP Government.**		NIL	**Map Attached**
	Factory Building on lease hold land at Moti Nagar, Masodha		2,13,88,990	

K M Spirits & Allied Industries Ltd.

(Director)

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NOTE NO. 2: DETAILS OF PLANTS & EQUIPMENTS

S. No.	Particulars	Written down value as 01.04.2026 in Rs.
1.	Plant & Machinery WDV as per FA register	34,96,19,258
2.	Effluent Treatment Plant	9,38,51,293
3.	Others – Furniture & Fixtures, Vehicles, Office Equipment, Tubewell and Cycles	1,13,11,346
Total		**45,47, 81,897**

NOTE NO. 3: DETAILS OF INTANGIBLE ASSETS

Computer software and brand development	Rs.1,87,224

DETAILS OF INTELLECTUAL PROPERTIES

A. TRADEMARKS & LOGOS – (All Trademarks & logo's of the Distillery division in relation to the Distillery business, including the following)

S. No.	Trademark	Type	Class	Application No.	Date of Registration/Application	Present Status	Certificate No.
1	MOTI	WORD	5	4490984	24.04.2020	Registered	2561837
2	MOTI	DEVICE	5	4490985	24.04.2020	Registered	2569632
3	KING'S CLASSIC	WORD	33	4994284	04.06.2021	Registered	3704510
4	KING'S CLASSIC	DEVICE	33	4994282	07.02.2024	Registered	3659524
5	QUEEN'S CLASSIC	WORD	33	4994285	04.06.2021	Registered	3707794
6	QUEEN'S CLASSIC	DEVICE	33	4994281	15.01.2024	Registered	3630591
7	LILY	WORD	33	5404180	11.04.2022	Registered	3117101
8	JORDAR	WORD	33	5404181	11.04.2022	Registered	3116186
9	ROBILA	WORD	33	5404182	11.04.2022	Registered	3118055
10	RED ORANGE	WORD	33	5262941	27.12.2021	Registered	3120914
11	MASHUKA	WORD	33	5404179	11.04.2022	Registered	3115387
12	MISS MASALA	WORD	33	5262943	27.12.2021	Registered	3714824
13	BEAUTY LOVELY	WORD	33	5262944	07.02.2024	Registered	3650026
14	RED LIVE	DEVICE	33	6367680	01.04.2024	Applied – Application under process	-
15	KING NO. 1	WORD	33	5859208	22.03.2023	Applied – Application under process	-

NOTARY R.C. VERMA ADV. & NOTARY Lucknow U.P. India Regd. No. 31/64/2000 GOVT. OF UTTAR PRADESH

Sworn and Verified before me.

21/10/26

R. C. VERMA Adv. & NOTARY Collectorate Court Lucknow U.P. India Regd. 31/64/2000

K M Spirits & Allied Industries Ltd.

(Director)

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S. No.	Trademark	Type	Class	Application No.	Date of Registration/Application	Present Status	Certificate No.
16	HUNTER'S CHOICE	WORD	33	4994275	04.06.2021	Applied – Application under process	-
17	KING'S ORANGE	WORD	33	4994276	04.06.2021	Applied – Application under process	-
18	HUNTER'S QUEEN	WORD	33	4994277	04.06.2021	Applied – Application under process	-
19	QUEEN'S PREMIUM	WORD	33	4994278	04.06.2021	Applied – Application under process	-
20	HUNTER'S PREMIUM	WORD	33	4994279	04.06.2021	Applied – Application under process	-
21	HUNTER'S CLASSIC	WORD	33	4994283	04.06.2021	Applied – Application under process	-
22	MINDIES	WORD	33	5262940	27.12.2021	Applied – Application under process	-
23	POWER HORSE	WORD	33	5262942	27.12.2021	Applied – Application under process	-
24	MAUZ MASTI	WORD	33	5262945	27.12.2021	Applied – Application under process	-
25	DEEWANA DIL	WORD	33	5262946	27.12.2021	Applied – Application under process	-
26	MINDIES LIME	WORD	33	5262947	27.12.2021	Applied – Application under process	-
27	RED LIME	WORD	33	6367679	01.04.2024	Applied – Application under process	-
28	HUNTER'S CLASSIC	DEVICE	33	4994280	04.06.2021	Applied – Application under process	-

NOTARY R.C. VERMA ADV. & NOTARY Lucknow U.P. India Regd. No. 31/61/2000 GOVT. OF UTTAR PRADESH

Sworn and Verified before me on 21/1/2026

For K.M. Spirits & Allied Industries Ltd.

(Director)

R. C. VERMA Adv. & NOTARY Collectorate Court Lucknow U.P. India Regd. 31/61/2000

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S. No.	Trademark	Type	Class	Application No.	Date of Registration/Application	Present Status	Certificate No.
29	STAR RANGBAZ	WORD	33	7467690	20.01.2026	Applied – Application under process	-
30	STAR RANGBAZ	DEVICE	33	7467691	20.01.2026	Applied – Application under process	-

B. COPYRIGHTS

S. No.	ROC No.	Diary No.	Title of Work
1.	Nil	**Nil**	Nil
2.	Nil	Nil	Nil

NOTE NO. 4: DETAILS OF INVESTMENTS

S. No.	Particulars	Amount as on 01.04.2026 in Rs.
CURRENT INVESTMENTS		
1	SBI Life Equity Growth Funds	2,18,78,884
NON - CURRENT INVESTMENTS		
2	Equity Shares of K M Spirit & Allied Industries Ltd.	5,00,000
	Total	**2,23,78,884**

NOTE NO. 5: DETAILS OF OTHER FINANCIAL ASSETS

S. No.	Particulars	Amount as on 01.04.2026 in Rs.
OTHER CURRENT FINANCIAL ASSETS		
1.	FD having Maturity more than 12 months	0
2.	FDR Pledged with bank for bank guarantee	50,000
3.	FDR with Government authority as security	1,22,08,646
4.	Interest accrued but not due	2,95,691
	Total	**1,25,54,337**
OTHER NON - CURRENT FINANCIAL ASSETS		
5.	Interest accrued but not due	34,52,519
	Total	**34,52,519**
Grand Total		**1,60,06,856**

NOTARY R.C. VERMA ADV. & NOTARY Lucknow U.P. India Regd. No. 31/64/2000 UTTAR PRADESH

Sworn and verified before me.

R. C. VERMA Adv. & NOTARY & Collectorate Court Lucknow U.P. Regd. 31/64/2000

NOTE NO. 6: DETAILS BANK BALANCE & OTHER CASH & CASH EQUIVALENTS

S. No.	Particulars	Amount as on 01.04.2026 in Rs.
1	Balance in Current Account	38,26,210.81

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S. No.	Particulars	Amount as on 01.04.2026 in Rs.
2.	Cheque on hand	-
3.	Cash-in -hand	7,86,601
Total		**46,12,811.81**
4.	FD having Maturity less than 12 months	3,85,00,000
5.	FDR Pledged with bank for bank guarantee	13,11,344
6.	FDR with Government authority as security	62,92,348
Total		**4,61,03,692**

NOTE NO. 7: DETAILS OF OTHER ASSETS

S. No.	Particulars	Amount as on 01.04.2026 in Rs.
OTHER CURRENT ASSETS		
1.	Security Deposit	87,89,843
	Advances to suppliers	2,13,85,794
	Advance to employees	8,03,888
	GST and other taxes/ duties	133,80,290
	Prepaid expenses	133,46,784
	Receivable from sugar division	-
OTHER NON - CURRENT ASSETS		
2.	Capital Advances	21,82,380
	Duties and Taxes paid under protest	2,50,000
Total		**601,38,979**

NOTE NO. 8: DETAILS OF BORROWINGS

S. No.	Particulars	Amount as on 01.04.2026 in Rs.
1.	State Bank of India	5,77,36,755
Total		**5,77,36,755**

NOTE NO. 9: DETAILS OF OTHER FINANCIAL LIABILITIES

S. No.	Particulars	Amount as on 01.04.2026 in Rs.
1.	Security Deposits	1,91,03,855
2.	Salary and other payables to employees	56,66,251
3	Others	9,52,923
4	Outstanding liability of related party	79,65,415
5	MGQ Payable	2,37,95,550
	Total	**5,74,83,994**

NOTARY R.C. VERMA ADV. & NOTARY Lucknow U.P. India Regd No. 3146/2000 GOVT. OF UTTAR PRADESH

Sworn and Verified before me
8/9/2026
R. C. VERMA
Adv. & NOTARY
Collectorate Court
Lucknow U.P. India
Regd. 3146/2000

NOTE NO. 10: DETAILS OF OTHER CURRENT LIABILITIES

S. No.	Particulars	Amount as on 01.04.2026 in Rs.
1.	Statutory Liabilities	62,89,956
2.	Advances from Customers	17,81,017
Total		**80,70,973**

National Company Law Tribunal
Allahabad Bench
Application No.: CCR/NCLT/2026/5/01450
Date of Application: 2026-09-10
No. of Pages: 81
Fees Paid: 405
Valid with Facing Sheet Only.:

CERTIFIED TRUE COPY

GAR MILLS LIMITED Lucknow