

**SCHEME OF ARRANGEMENT
IN THE NATURE OF DEMERGER OF
UNDERTAKING OF
VIKRAM THERMO (INDIA) LIMITED (DEMERGED COMPANY)
WITH
VIKRAM AROMA LIMITED (RESULTING COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS
AND
THEIR RESPECTIVE CREDITORS**

I. PREAMBLE

1.1 Both the companies, the Demerged Company and the Resulting Company are under the same management. Demerged Company is a listed company.

There shall be a synergic benefit from hiving-off of the Undertaking of the Demerged Company into Resulting Company as the efficiency and worth of both the companies shall increase manifold. Each company would specialize in their respective core businesses and independently scale their businesses by attracting specific resources and investment to support their growth. The demerger would also help each company to isolate the risks between their respective businesses, raise capital based on their individual requirements and help create/ unlock value in the future.

The Demerger of the Undertaking of the Demerged Company would also improve the efficiency and economic viability of the resultant Undertaking as it will have the advantage of larger scale of financial management and specialized resources for the activities of the hived-off Undertaking. The Demerged Company shall also benefit by dedicating its resources (capital, manpower and management) to focus on its Remaining Business without need to support the Undertaking which has been demerged.

The demerger will be advantageous to all the companies, their respective shareholders and all other concerned stakeholders.

II. RATIONALE OF THE SCHEME:

2.1 The Demerged Company is engaged in the following lines of business through the following undertakings:

- (i) The **"Transferred Business"**: As part of this business undertaking, primary activities means-



For, VIKRAM AROMA LIMITED

[Signature]
Director



FOR, VIKRAM THERMO (INDIA) LIMITED

[Signature]
CHAIRMAN & MANAGING DIRECTOR

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Manufacture of Aromatic chemical, Diphenyl oxide (used as perfumery stabilizer and for manufacture of Heat Transfer Fluid.)

(ii) The **“Remaining Business”**: As part of this business undertaking, primary activities means-

Manufacture of Methacrylic/Ethyl acrylatebased coating polymers for use by pharmaceutical companies.

2.2. Each of the aforementioned business of the Demerged Company have been nurtured and developed from a nascent stage and are currently at different stages of maturity, with different capital and operating requirements including risk and competition necessitating a demerger of these two businesses.

2.3. Under this scheme it is proposed to demerge the Transferred Business of the Demerged Company, and all the estate, assets, rights, claims, title, interest, licenses, liabilities, employees, accretions and appurtenances of the Demerged Company pertaining to the Transferred Business (“Undertaking”, as defined in Paragraph 1.8 of Part A of this scheme) and transfer it to the Resulting Company. The proposed demerger of the Undertaking envisaged in this scheme, is aimed at achieving the following business and commercial objectives and is expected to result in the following benefits for the Demerged Company and the Resulting Company:

- (i) Enhanced strategic flexibility to build a viable platform solely focusing on each of the business;
- (ii) Enable dedicated management focus, resources and skill-set allocation to each business, which will in turn accelerate growth and unlock significant value for the shareholders of the Demerged Company;
- (iii) Provide enhanced flexibility in the operation of each of the aforementioned businesses;
- (iv) Expanding the potential client/customer market for each business vertical;
- (v) Access to various sources of funds and investments, depending on individual risks and returns potential, for the sustained growth of both the businesses; and
- (vi) Unlock/ create value for the shareholders in the future



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[Signature]
Director



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- 2.4 The nature of technology, competition, investment horizon, risks, returns and capital intensity involved in each of the undertaking of the Demerged Company is distinct from each other. Consequently, each undertaking of the Demerged Company is capable of addressing independent business opportunities, deploying different technologies and attracting different sets of investors, strategic partners, lenders and other stakeholders. Hence, as part of an overall business reorganization plan, it is considered desirable and expedient to reorganize and reconstruct the Demerged Company by demerging the Undertaking from the Demerged Company into the Resulting Company in the manner and on the terms and conditions in this scheme.
- 2.5 Pursuant to the scheme, all shareholders of the Demerged Company as on the Record date will receive equity shares in the Resulting Company and subsequently, such Shareholders of the Demerged Company will hold equity shares in both, the Demerged Company and the Resulting Company. It will give such Shareholders of the Demerged Company the ability to continue to remain invested in both or either of the companies, giving them greater flexibility in managing and/or dealing with their investments.
- 2.6 The scheme is beneficial to the respective shareholders, creditors, employees and all stakeholders of the Demerged Company and the Resulting Company. The scheme is expected to contribute in furthering and fulfilling the objects of both the companies and in the growth and development of their respective businesses.
- 2.7 The scheme has been approved by the respective Boards of the Demerged Company and the Resulting Company and it has been decided that requisite application/petition before the NCLT (as defined below) for seeking the necessary directions and the sanctions of this Scheme, shall be filed. The Scheme is also subject to the approval of the requisite majority of the respective shareholders and/or creditors, as the case may be, of the Demerged Company and the Resulting Company and/or such other statutory approvals/clearances, if any, as more particularly set out in the scheme.
- 2.8 The transfer of the Demerged Undertaking shall be on a going concern.

III. PARTS OF THE SCHEME:

The Scheme is divided into the following parts:

-PART A deals with definitions and Share Capital



For, VIKRAM AROMA LIMITED

[Signature]
Director

FOR, VIKRAM THERMO (INDIA) LIMITED



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-PART B deals with the transfer and vesting of the Undertaking of the Demerged Company into the Resulting Company, including consideration and accounting treatment;

-PART C deals with the general terms and conditions applicable to this scheme.

PART A
DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

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

- 1.1 **“Act”** means the Companies Act, 1956, Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force.
- 1.2 **“Appointed Date”** means the 1st day of July, 2022 or such other date as the Hon’ble National Company Law Tribunal may direct.
- 1.3 **“Board of Directors” or “Board”** in relation to the Demerged Company and the Resulting Company, as the case may be, means the board of directors of such Company and includes any committee of directors constituted by the board of the respective Companies.
- 1.4 **“Companies”** means the Demerged Company and the Resulting Company, collectively.
- 1.5 **“Demerged Company”** means **VIKRAM THERMO (INDIA) LIMITED** a company incorporated under the Companies Act, 1956 having its Registered Office at A/704-714, The Capital Science City Road, Ahmedabad, Gujarat -380060 India.
- 1.6 **“Resulting Company”** means **VIKRAM AROMA LIMITED** a company incorporated under the Companies Act, 1956/2013 having its Registered Office at A/704-714, The Capital Science City Road, Ahmedabad, Gujarat - 380060 India

For, VIKRAM AROMA LIMITED



[Signature]
Director



FOR, VIKRAM THERMO (INDIA) LIMITED

[Signature]
CHAIRMAN & MANAGING DIRECTOR



- 1.7 **“Effective Date”** means the date on which certified copy of the Order of Hon’ble National Company Law Tribunal vesting the assets, properties, liabilities, rights, duties, obligations and the like of the Undertaking of the Demerged Company into the Resulting Company is filed with the respective Registrar of Companies of State of Gujarat, after obtaining the consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary therefore.
- 1.8 **“NCLT”** means Gujarat bench of the National Company Law Tribunal as constituted under the Act.
- 1.9 **“Record Date”** means a day following the Effective Date as fixed by the Board of Directors of Demerged Company or a committee thereof for the purpose of determining the members of the Demerged Company to whom shares will be allotted pursuant to this Scheme.
- 1.10 **“Scheme”** means this Scheme of Arrangement in the nature of Demerger in its present form or with any modification(s) approved by the Hon’ble National Company Law Tribunal.
- 1.11 **“Undertaking”** shall mean and include the whole of the undertakings/assets, investments etc. of the unit II of the Demerged Company, as a going concern, including all secured and unsecured debts, liabilities, policies, approvals, consents, engagements, arrangements, subsidies, concessions, exemptions and all other privileges and benefits of every kind, nature and description whatsoever (including but not limited to benefits of tax relief including under the Income-tax Act, 1961 such as credit for advance tax, taxes deducted at source, etc., unutilized deposits or credits, entitlements to refunds and / or credits of service tax, central excise, Goods and Service Tax in connection with the business of the Undertaking, duties and obligations and all the assets and properties, whether movable or immovable, real or personal, in possession or revision, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to Land and Building, all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, investments, reserves, provisions, funds, quota rights, import quotas, licenses, registrations, copyrights, patents, trade names, trademarks and other industrial rights and licenses in respect thereof, applications for copyrights, patents, trade names, trademarks, leases, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, computers, office equipment, telephones, telexes, facsimile connections, internet, web pages, web sites, artificial intelligence,

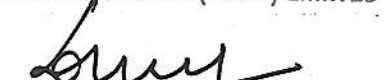


For, VIKRAM AROMA LIMITED


Director



FOR, VIKRAM THERMO (INDIA) LIMITED


CHAIRMAN & MANAGING DIRECTOR

communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, beneficial rights in any assets, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, receivables, funds, bank balances, accounts and all other rights, claims and powers, of whatsoever nature and whosoever situated belonging to or in the possession of or granted in favor of or enjoyed by the Demerged Company, as on the Appointed Date and all earnest money and/or deposits including security deposits paid by the Demerged Company in respect of said unit/undertaking as on the Appointed Date.

- 1.12 The words importing the singular include the plural; words importing any gender every gender.
- 1.13 Any word or expression used and not defined in the scheme but defined in the Act shall have the meaning respectively assigned to them in the Act or the Securities Contract (Regulation) Act, 1956, as applicable.

2. SHARE CAPITAL

(a) *The Share Capital of the Demerged Company as on 31.08.2022 is as under: -*

AUTHORISED	(IN RUPEES)
3,20,00,000 Equity Shares of Rs. 10/- each	32,00,00,000/-
TOTAL	32,00,00,000/-
ISSUED, SUBSCRIBED AND PAID UP	(IN RUPEES)
3,13,57,850 Equity shares of Rs. 10/- each	31,35,78,500/-
TOTAL	31,35,78,500/-

There has been no change in the capital structure of Demerged Company subsequent to above date till the date of approving of the Scheme by the Board of Directors.

(b) *The Share Capital of the Resulting Company as on 31.08.2022 is as under: -*

AUTHORISED	(IN RUPEES)
40,00,000 Equity Shares of Rs. 10/- each	4,00,00,000/-



For, **VIKRAM AROMA LIMITED**

[Signature]
Director



FOR, **VIKRAM THERMO (INDIA) LIMITED**

[Signature]
CHAIRMAN & MANAGING DIRECTOR



TOTAL	4,00,00,000/-
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ISSUED, SUBSCRIBED AND PAID UP	(IN RUPEES)
70 Equity shares of Rs. 10/- each	700/-
TOTAL	700/-

There has been no change in the capital structure of Resulting Company subsequent to above date till the date of approving of the Scheme by the Board of Directors.

PART B
DEMERGER OF THE DEMERGED UNDERTAKING OF THE DEMERGED COMPANY INTO THE RESULTING COMPANY

3. TRANSFER AND VESTING

- (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, the "Undertaking" of the Demerged Company shall, pursuant to Section 394 of The Companies Act, 1956 (corresponding Section 232 of The Companies Act, 2013) and section 2(19AA) of the Income-tax Act, 1961, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company as a going concern so as to become as and from the Appointed Date, the undertaking with all estates, assets, properties, rights, title and interest of the Resulting Company.
- (b) Any statutory licenses, permissions, approvals or consents to carry on the operations pertaining to the Undertaking of the Demerged Company shall stand vested in or transferred to the Resulting Company without any further act or deed and shall be appropriately mutated by the Statutory Authorities concerned in favour of the Resulting Company upon the vesting and transfer of the Undertaking pursuant to this Scheme. The benefit of all statutory and regulatory permissions, factory licenses, environmental approvals and consents, sales tax registrations or other licenses and consents pertaining to the Undertaking shall vest in and become available to the Resulting Company pursuant to this Scheme. In so far as the various



For, VIKRAM AROMA LIMITED

[Signature]
Director



FOR, VIKRAM THERMO (INDIA) LIMITED

[Signature]
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incentives, subsidies, rehabilitation Schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other persons, or availed of by the Demerged Company pertaining to the Undertaking are concerned, the same shall vest with and be available to the Resulting Company on the same terms and conditions.

- (c) With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of the Demerged Company pertaining to the Undertaking shall also, pursuant to 394 of The Companies Act, 1956 (corresponding Section 232 of The Companies Act, 2013) without any further act or deed, be transferred to or be deemed to be transferred to the Resulting Company so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations qua Undertaking of the Resulting Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Sub-Clause.

- (d) Any tax liabilities under the Income-tax Act, 1961, Wealth tax Act, 1957, Goods and Service Tax Act, 2017 and any other state sales tax / value added tax laws, service tax, stamp laws or any other applicable laws/regulations dealing with taxes / duties / levies allocable or related to the Undertaking of the Demerged Company to the extent not provided for or covered by tax provisions in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Resulting Company.

- (e) Upon Scheme becoming effective, it is clarified that all the taxes and the duties payable by the Demerged Company relating to the Undertaking, from the Appointed Date onwards, including all advance taxes, tax deduction at source, tax liabilities, carried forward losses, unabsorbed depreciation or any refunds or claims shall, for all purpose, be treated as advance tax payments, tax deduction at source, tax liabilities, refunds or claims of the Resulting Company and it shall not be necessary to obtain the consent of any third party or other person, in order to give effect to the provision of this sub-Clause. Accordingly, upon the Scheme becoming effective, the Demerged Company, is expressly, permitted to revise and file and the Resulting Company is




For, VIKRAM AROMA LIMITED


Director



FOR, VIKRAM THERMO (INDIA) LIMITED


CHAIRMAN & MANAGING DIRECTOR



expressly permitted to revise and file their respective, income tax returns including tax deduction at source certificates, goods and service tax returns, excise return, service tax returns, and other tax returns, and to claim refund/credit, pursuant to the provisions of this Scheme. Upon the Scheme becoming effective, any TDS deposited, TDS certificates issued or TDS returns filed by the Demerged Company pertaining to the Demerged Undertaking shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued and TDS returns were filed by the Resulting Company.

- (f) The transfer and vesting of the assets and investments pertaining to the Undertaking of the Demerged Company as aforesaid shall be subject to the existing securities, charges etc., if any subsisting, over or in respect of the property and assets or any part thereof in respect to the Undertaking of the Demerged Company.

Provided, however, that any reference in any security documents or arrangements (to which the Demerged Company is a party) to the assets pertaining to the Undertaking of the Demerged Company offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the undertaking of the Demerged Company as are vested in the Resulting Company by virtue of the aforesaid Clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Demerged Company or any of the assets of the Resulting Company.

Provided further that the securities, charges etc., (if any subsisting) over and in respect of the assets or any part thereof of the Resulting Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend to the assets of the Demerged Company vested in the Resulting Company.

4. CONTRACT, DEEDS, BONDS AND OTHER INSTRUMENTS:

- (a) Upon the Scheme coming into effect and subject to the other provisions contained in the Scheme, all contracts, deeds, bonds, agreements, Schemes, arrangements and other instruments of whatsoever nature in relations to the Undertaking to which the

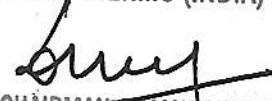


For, VIKRAM AROMA LIMITED


Director



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Demerged Company is a party or to the benefit of which the Demerged Company is or may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall remain in full force and effect against or in favour, as the case may be, 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 obligee thereto.

- (b) All deposits including public deposits, debentures or bonds and any amount remaining unpaid / unclaimed relating thereto in relations to the Undertaking of the Demerged Company, if any, shall be kept distinctly identified in the records of the Resulting Company for all intents and purposes including taxation and accounting and shall not be combined with any existing outstanding deposit scheme or series of debentures or bonds of the Resulting Company.
- (c) The Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or 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 to be executed in order to give formal effect to the above provisions in relations to the Undertaking.

5. LEGAL PROCEEDINGS:

- (a) Upon the Scheme coming into effect, all suits, actions and proceedings by or against the Demerged Companies pending and/or arising on or before the Effective Date pertaining to and in relation to the Undertaking, shall be continued and be enforced by or against the Resulting Company as effectually as if the same had been pending and/or arising by or against the Resulting Company.
- (b) The Resulting Company undertakes to have all legal or other proceedings initiated by or against the Demerged Company referred to in sub-clause (a) above transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company.

6. CONDUCT OF BUSINESS OF UNDERTAKING BY DEMERGED COMPANY TILL EFFECTIVE DATE:

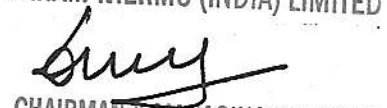


For, VIKRAM AROMA LIMITED


Director

FOR, VIKRAM THERMO (INDIA) LIMITED




CHAIRMAN & MANAGING DIRECTOR

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

- (a) The Demerged Company shall carry on and be deemed to carry on all its businesses and activities and stand possessed of its properties and assets for and on account of and in trust for the Resulting Company pertaining to and in relations to the Undertaking.
- (b) All the profits or income accruing or arising to the Demerged Company in relation to the Undertaking and all costs, charges, expenditure, taxes or losses arising or incurred by Demerged Company in relation to the Undertaking shall, for all purposes be treated as the profits or losses of the Resulting Company as the case may be.
- (c) The Demerged Company hereby undertakes to carry on its business pertaining to and in relations to the Undertaking until the Effective Date with reasonable diligence and shall not, without the written consent of the Resulting Company, alienate, charge or encumber or otherwise deal with the assets or any part thereof pertaining to and in relations to the Undertaking except in the ordinary course of its business.
- (d) The Demerged Company shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure without the written consent of the Resulting Company, except in the ordinary course of business pertaining to and in relations to the Undertaking.
- (e) The Demerged Company shall not, without the written consent of the Resulting Company, undertake any new business pertaining to and in relations to the Undertaking.
- (f) Save as specifically provided in this Scheme, neither the Demerged Company nor the Resulting Company shall make any change in their capital structure by way of increase (whether by a rights issue, issue of equity or preference shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, subdivision or consolidation, reorganization or in any manner which may in any manner affect the Share Exchange Ratio prescribed in



For, VIKRAM AROMA LIMITED

[Signature]
Director

FOR, VIKRAM THERMO (INDIA) LIMITED



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Clause 9 except by mutual consent of the Board of Directors of both the companies.

- (g) The Demerged Company shall not vary the terms and conditions of the service of its staff, workmen and employees except in the ordinary course of business pertaining to and in relations to the Undertaking.

7. OPERATIVE DATE OF THE SCHEME:

The Scheme, although operative from the Appointed Date, shall become effective from the Effective Date.

8. DEMERGED COMPANY'S STAFF, WORKMEN AND EMPLOYEES:

- (a) All employees of the Demerged Company in service on the Effective Date pertaining to and in relations to the Undertaking, shall become employees of the Resulting Company on such date without any break or interruption in service and on terms and conditions as to remuneration not less favorable than those subsisting with reference to the Demerged Company as on the said date. The Demerged Company in relation to the Undertaking shall not vary the terms and conditions of the employment of its employees except in ordinary course of business. It is provided that so far as the Gratuity Fund, created or existing for the benefit of the employees of the Demerged Company's Undertaking are concerned, upon the coming into effect of this Scheme, the Resulting Company shall stand substituted for the Demerged Company for all purposes whatsoever related to the administration or operation of the Fund or in relation to the obligation to make contributions to the said Fund in accordance with provisions of such Fund as per the terms provided in the Trust Deed, to the end and intent that all the rights, duties, powers and obligations of the Demerged Companies in relation to such Fund shall become those of the Resulting Company pertaining to and in relations to the Undertaking. It is clarified that the services of the employees pertaining to and in relations to the Undertaking of the Demerged Company will be treated as having been continuous for the purpose of the aforesaid Fund.

- (b) It is provided that so far as the Provident Fund or any other Special Scheme(s)/Fund(s) (except Gratuity Fund), if any, created or existing for the benefit of the employees of the Demerged Company's Undertaking is concerned, upon the coming into effect of this Scheme, the same shall merge into such Scheme(s)/ Fund(s) maintained/ administered/ operated



For, VIKRAM AROMA LIMITED

[Signature]
Director



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by the Resulting Company for the benefit of the employees of the merged company to the end and intent that all the rights, duties, powers and obligations pertaining to and in relations to the Undertaking of the Demerged Company in relation to such Schemes/Funds shall become those of the Resulting Company. It is clarified that the services of the employees of the Demerged Company will be treated as having been continuous for the purpose of the aforesaid Schemes/Funds. On such merger the erstwhile Fund for the benefit of the employees of the Demerged Company pertaining to and in relations to the Undertaking shall, subject to fulfillment of procedural requirement, if any, shall stand dissolved.

9. ISSUE OF SHARES BY THE RESULTING COMPANY

(a) Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the Undertaking of the Demerged company in the Resulting Company in terms of the Scheme, the Resulting Company shall subject to the provisions of the Scheme and without any further application, act or deed, issue and allot at par the Equity Shares of Rs.10/- (Rupees Ten Only) each credited as fully paid-up in the Capital of the Resulting Company to the members of the Demerged company whose names appear in the Register of Members of the respective Demerged Company on a date (Record Date) to be fixed by the Board of Directors of the Resulting Company or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Resulting Company and approved by them to be placed on its register of names in the following proportion :

a) For 10 Equity Shares of Rs. 10/- each held in Demerged Company, 1 (one) Equity Shares of Rs.10/- each of Resultant Company which would result into issue of 31,35,785 equity shares of Rs.10/- each of Resultant Company to the Equity Shareholders of Demerged Company and thereby giving the Shareholders of Demerged Company 100% equity stake post the demerger

The said new Equity Shares shall rank for voting rights and in all other respects pari-passu with the Equity Shares of the Resulting Company.

For, VIKRAM AROMA LIMITED




Director



FOR, VIKRAM THERMO (INDIA) LIMITED


CHAIRMAN & MANAGING DIRECTOR




In consideration of the transfer and vesting of the Demerged Undertaking in accordance with the provisions of this Scheme, the paid-up share capital of the Resulting Company shall be increased in the manner set out in this Clause.

- (b) **In so far as the Equity shares of the Demerged Companies if any, held by the Resulting Company, on the Effective Date are concerned, such shares would be cancelled and to that extent the Resulting Company is required to issue less number of shares.**
- (c) **In so far as the Equity shares of the Resulting Company if any, held by the Demerged Companies are concerned, such shares would be cancelled on the effective date.**
- (c) There are no cross holding and hence there is no reduction of share capital upon the scheme is sanctioned.
- (d) For the purpose as aforesaid the Resulting Company shall, if and to the extent required, apply for and obtain the requisite approvals including that of the appropriate authorities concerned for issue and allotment by the Resulting Company to the respective members of the Demerged company of the Equity Shares in the said re-organised share capital of the Resulting Company in the ratio as aforesaid.
- (e) The equity shares issued and allotted by the Resulting Company in terms of this Scheme shall rank paripassu in all respects with the existing equity shares of the Resulting Company.
- (f) The shares of the Demerged listed on stock exchange. The Equity Shares of the Resulting Company issued in terms of the Clause 9(a) above shall be issued in dematerialized form and shall be admitted to be listed and/or admitted to trading on any Stock exchange/s, whether in India or abroad.
- (g) **The fractional entitlements, if any, shall be aggregated and held by the trust, nominated by the Board in that behalf, who shall sell such shares in the market at such price, within a period of 90 days from the date of allotment of shares, as per the draft scheme submitted to SEBI.**

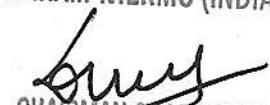


For, VIKRAM AROMA LIMITED


Director



FOR, VIKRAM THERMO (INDIA) LIMITED



CHAIRMAN & MANAGING DIRECTOR

The listed company shall submit to the designated stock exchange a report from its Audit Committee and the Independent Directors certifying that the listed entity has compensated the eligible shareholders. Both the reports shall be submitted within 7 days of compensating the shareholders.

- (h). The New Equity Shares issued in terms of clause 9(a) above, shall be listed and/or admitted to trading on the relevant stock exchange/s in India where the equity shares of the Demerged Company are listed and/or admitted to trading.
- (i). Upon the Scheme coming to effect, the shares to be allotted to the members of the Demerged Company by the Resulting Company shall be listed and / or admitted to trading on the relevant stock exchange / s in India where the equity shares of the Demerged are listed and / or admitted to trading as on effective date. Accordingly, the Resulting Company shall take steps for listing simultaneously on all such stock exchanges(s) within a reasonable period of the receipt of the final NCLT order sanctioning the Scheme. The Resulting Company shall make necessary application with the provisions of the Applicable Laws, including as applicable, the provisions of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November, 30, 2015, SEBI Circular No. CFD/DIL/3/CIR/2017/105 Dated September 21, 2017, SEBI Circular No. CFD/DIL3/CIR/2018/2 dated January 03,2018, SEBI Master circular No:
SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 Dt: 23/11/2021 and as amended from time to time. The equity shares allotted pursuant to this Scheme shall remain frozen in the depositories system till relevant directions in relation to listing /trading are provided by the stock exchanges. The Resulting Company shall apply to Securities and Exchange Board of India through Stock Exchange for seeking relaxation under Section 19(2)(b) of Securities Contract (Regulation) Rules, 1967.
- (j). The New Equity Shares of the Resulting Company to be issued to the members of the Demerged Company pursuant to above clause shall be subject to the memorandum and articles of association of the Resulting Company and shall rank pari-passu in all respects, including dividend, with the existing equity shares of the Resulting Company.
- (k). The issue and allotment of New Equity Shares by the Resulting Company, to the shareholders of Demerged Company as provided in above clause is an integral part of the Scheme and shall be deemed to

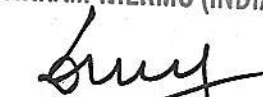


For, VIKRAM AROMA LIMITED


Director



For, VIKRAM THERMO (INDIA) LIMITED


CHAIRMAN & MANAGING DIRECTOR

have been carried out as if the procedure laid down under Section 62(1)(c) of the Act and all other relevant Rules, Regulations and Laws for the time being in force were duly complied with.

- (L). Upon the Scheme becoming effective, the existing equity shares in VIKRAM AROMA LIMITED, which is held by the Directors and promoters of VIKRAM THERMO (INDIA) LIMITED, shall stand cancelled, extinguished and annulled from the Effective Date. The cancellation, as aforesaid, which amounts to reduction of share capital of the Resulting Company, creating a mirror image, shall be effected as an integral part of this Scheme itself in accordance with the provisions of Section 66 of the Act and the order of the Tribunal sanctioning the scheme shall be deemed to be also the order under Section 66 of the Act for the purpose of confirming the reduction.

10 ACCOUNTING TREATMENT

Notwithstanding anything contrary herein, upon this scheme become effective, the resulting company shall give effect to the accounting treatment in the books of accounts on appointed date in accordance with the accounting standard specified under Section 133 of the Act read with the companies (Indian Accounting Standards) Rules 2015, or any other relevant or related requirement under the Act, as applicable.

10.1 IN THE BOOKS OF THE DEMERGED COMPANY:

- 10.1.1 Upon the Scheme becoming effective, the Demerged Company shall reduce the book value of assets and the liabilities pertaining to the Undertaking as on the Effective Date.
- 10.1.2 The difference between carrying amount of the assets and carrying amount of the liabilities transferred in accordance with the aforesaid paragraph will be recognized as loss in profit or loss for the period the scheme becomes effective.

10.2 IN THE BOOKS OF THE RESULTING COMPANY:

- 10.2.1 Upon the Scheme becoming effective, the Resulting Company shall:
- (a) Record the assets and liabilities pertaining at the respective book values as appearing in the books of Demerged Company as on the Appointed Date;



For, VIKRAM AROMA LIMITED

[Signature]
Director



FOR, VIKRAM THERMO (INDIA) LIMITED

[Signature]
CHAIRMAN & MANAGING DIRECTOR

(b) Credit to its share capital account, the aggregate face value of the equity shares issued by it pursuant to this scheme and Clause 9.

10.2.2 The excess assets of the Demerged undertaking as on the Appointed Date over the (i) book value of the liabilities of the Demerged Undertaking as on the Appointed Date and (ii) paid up value of the equity shares issued by the Resulting Company to the Shareholders of Demerged Company (the amount credited as share capital), will be credited to the capital reserve account of the Resulting Company. In case of there being a shortfall, the same shall be debited to capital reserve.

11. TAX ASPECTS

(a) This Scheme is in compliance with the conditions relating to "Demerger" as specified under Section 2(19AA) and Section 72A(4) of the Income-tax Act, 1961 such that:

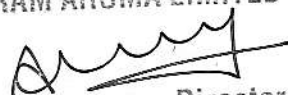
The transfer of the Undertaking will be on a going concern basis with effect from the Appointed Date.

(b) If any terms or provisions of the Scheme is/are inconsistent with the provisions of Section 2(19AA) and Section 72A(4) of the Income-tax Act, 1961, the provisions of Section 2(19AA) and Section 72A(4) of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(19AA) and Section 72A(4) of the Income-tax Act, 1961 as on the Appointed Date; such modification shall not affect other parts of the Scheme.

(c) Upon Scheme becoming effective, it is clarified that all the taxes and the duties payable by the Demerged Company, relating to the Demerged Undertaking, from the Appointed Date onwards, including all advance taxes, tax deduction at source, tax liabilities, or any refunds or claims shall, for all purpose, be treated as advance tax payments, tax deduction at source, tax liabilities, refunds or claims of the Resulting Company. Accordingly, upon the Scheme becoming effective, the Demerged Company, is expressly, permitted to revise and file and the Resulting Company is expressly permitted to revise and file their respective, income tax returns including tax deduction at source certificates, sales tax/value added tax returns, excise return, service tax returns, goods and services tax return and other tax returns, and to claim refund/credit, pursuant to

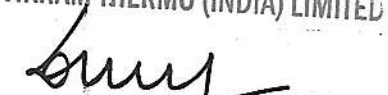


For, VIKRAM AROMA LIMITED


Director



FOR, VIKRAM THERMO (INDIA) LIMITED


CHAIRMAN & MANAGING DIRECTOR

the provisions of this Scheme.

- (d) In accordance with the relevant central or state legislation dealing with indirect taxes, as are prevalent on the Effective Date, the unutilized credit relating to excise duties, goods and services tax and value added taxes paid on inputs/capital goods lying to the account of the Demerged Undertaking, shall be permitted to be transferred to the credit of the Resulting Company, as if such unutilized credits were lying to the account of the Resulting Company. The Resulting Company shall accordingly be entitled to set off all such credits against excise duty/goods and services tax and applicable valued added tax payable by it.
- (e) Upon the Scheme becoming effective, any TDS deposited, TDS certificates issued or TDS returns filed by the Demerged Company pertaining to the Demerged Undertaking shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued and TDS returns were filed by the Resulting Company.
- (f) The obligation for deduction of tax at source on any payment made by or to be made by the Demerged Company pertaining to the Demerged Undertaking under the Income Tax Act, 1961, goods and services tax law, service tax laws, central sales tax, state value added tax or other applicable laws and/or regulations dealing with taxes, duties or levies shall be deemed to have been made and duly complied with on behalf of the Resulting Company.

12 AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE RESULTING COMPANY.

- (a) Upon coming into effect of the Scheme, the part of the Authorised Share Capital of the Demerged Company pertaining to and in relations to the Undertaking, as mentioned in Clause 2 (a) to 2(d) above and part of it, or such amount as may be on the effective date, shall be added to the Authorised Share Capital of the Resulting Company, as on the effective date, without any further act or deed and without any further payment of the stamp duty or the registration fees and Clause V of the Memorandum of Association of the Resulting Company shall be replaced accordingly.
- (b) Under the accepted principle of Single Window Clearance, it is hereby provided that the aforesaid alteration viz. Change in Capital Clause, referred above, shall become operative on the scheme being effective

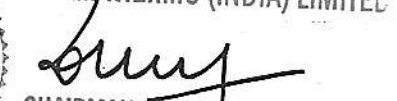


For, VIKRAM AROMA LIMITED


Director



For, VIKRAM THERMO (INDIA) LIMITED


CHAIRMAN & MANAGING DIRECTOR



by virtue of the fact that the Shareholders of the Resulting Company, while approving the scheme as a whole, have also resolved and accorded the relevant consents as required respectively under earlier Section 94, and 81(1A) of the Companies Act, 1956 (now Section 61, and 62 of the Companies Act, 2013) or any other provisions of the Act and shall not be required to pass separate resolutions as required under the Act.

- (c) Upon the Scheme being effective, the Resulting Company shall be entitled to commence and carry on the business and activities currently being carried on by the Demerged Company pertaining to and in relations to the Undertaking, without any further act or deed with effect from the appointed date. It is clarified that there will be no need to pass a separate Shareholders' resolution as required under Section 149(2A) of the Act (now Section 11 of the Companies Act, 2013).

13 DECLARATION OF DIVIDEND

- (a) The Demerged Company and the Resulting Company shall be entitled to declare and pay dividend, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date, provided that the Demerged Company shall not make any such declaration, except with the prior approval of the Board of Directors of the Resulting Company.
- (b) It is clarified that the aforesaid provision in respect of declaration of dividends, whether interim or final, is an enabling provision only and shall not be deemed to confer any right on any member of any of the Demerged Company and/or the Resulting Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Demerged Company and the Resulting Company and subject, wherever necessary, to the approval of the shareholders of the Demerged Company and the Resulting Company respectively.

14 NO DISSOLUTION OF DEMERGED COMPANY

On the Scheme becoming effective, the Demerged Company shall not stand dissolved without being wound up as both the companies shall remain in existence and remaining business / residual business shall be undertaken by the Demerged Company under its existing banner.



For, VIKRAM AROMA LIMITED


Director



FOR, VIKRAM THERMO (INDIA) LIMITED


CHAIRMAN & MANAGING DIRECTOR

15 COMPLIANCE WITH SEBI REGULATIONS

- a. In terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations); SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and the SEBI Master Circular No SEBI/HO/CFD/DIL1/CIR/P/2021/000000665 dated 23rd November, 2021 ("the SEBI Scheme Circular"), as amended from time to time, and other applicable provisions, if any, the present Scheme of Arrangement will be approved by Shareholders of the Listed demerged Company by passing a Resolution through e-voting, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution.
- b. The Scheme of arrangement shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it
- c. Notwithstanding above, the Demerged Company and the Resulting Company will also comply with the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Listing Agreement, SEBI Regulations, SEBI Circulars and other applicable provisions, if any, in connection with this Scheme and other connected matters.
- d. BSE Ltd will act as the Designated Stock Exchange for the purposes of this Scheme.

16 APPLICATIONS TO HON'BLE NATIONAL COMPANY LAW TRIBUNAL

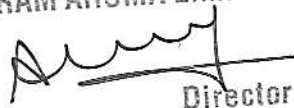
The Demerged Company and the Resulting Company shall with all reasonable dispatch make applications and petitions under Section 230 and 232 of the Companies Act, 2013 and other applicable provisions of the Act to the Hon'ble National Company Law Tribunal for sanctioning this Scheme.

17 MODIFICATION / AMENDMENT TO THE SCHEME

- (i) The Demerged Company and the Resulting Company, through their respective Board of Directors, may give consent to any modifications or amendments to the Scheme or agree to any terms or conditions



For, VIKRAM AROMA LIMITED


Director



For, VIKRAM THERMO (INDIA) LIMITED


CHAIRMAN & MANAGING DIRECTOR

which the Hon'ble Tribunal and/or other authorities under law may deem fit to impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise in implementing and/or carrying out the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting the Scheme into effect.

- (ii) For the purpose of giving effect to the Scheme or to any modification thereof, the Directors of the Resulting Company are authorised to give such directions and/or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

18 SCHEME CONDITIONAL ON APPROVAL / SANCTIONS

The Scheme is conditional on and subject to:

- (a) the approval to the Scheme by the requisite majorities of the shareholders and creditors, if any, of the Demerged Company and the shareholders and creditors of the Resulting Company.
- (b) the sanction of the National Company Law Tribunal, under Section 230 to 232 of the Companies Act, 2013, in favor of the Demerged Company and the Resulting Company and to the necessary Orders under Section 230 to 232 of the Act, being obtained.
- (c) Filing of the order obtained from the National Company Law Tribunal, under Section 230 to 232 of the Companies Act, 2013 with the Registrar of Companies, Gujarat State.
- (d) any other sanction or approval of any concerned authorities, as may be considered necessary and appropriate by the respective Board of Directors of the Demerged Company and the Resulting Company, being obtained and granted in respect of any of the matters for which such sanction or approval is required.

19 EXPENSES CONNECTED WITH THE SCHEME AND INCIDENTAL TO THE COMPLETION OF THE DEMERGER

For, VIKRAM AROMA LIMITED

 Director

FOR, VIKRAM THERMO (INDIA) LIMITED


 CHAIRMAN & MANAGING DIRECTOR

All costs, charges and expenses of the Demerged Company and Resulting Company in relation to or in connection with the Scheme and of carrying out and completing the terms and provisions of the Scheme and/or incidental to the completion of Demerger of the Demerged Company in pursuance of the Scheme shall be borne by the respective companies.

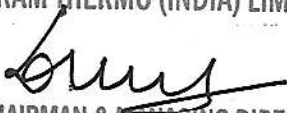
For, VIKRAM AROMA LIMITED




Director



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CHAIRMAN & MANAGING DIRECTOR