

COMPOSITE SCHEME OF ARRANGEMENT

AMONG

RELIANCE RETAIL LIMITED

AND

ITS SHAREHOLDERS AND CREDITORS

&

RELIANCE RETAIL VENTURES LIMITED

AND

ITS SHAREHOLDERS AND CREDITORS

&

RELIANCE CONSUMER PRODUCTS LIMITED

AND

ITS SHAREHOLDERS AND CREDITORS

&

TIRA BEAUTY LIMITED

AND

ITS SHAREHOLDERS AND CREDITORS

**UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF
THE COMPANIES ACT 2013**

(A) THE SCHEME

This composite scheme of arrangement between: (i) Reliance Retail Limited (“**RRL**”) and its shareholders and creditors; & (ii) Reliance Retail Ventures Limited (“**RRVL**”) and its shareholders and creditors; & (iii) Reliance Consumer Products Limited (“**RCPL**”) and its shareholders and creditors; & (iv) Tira Beauty Limited (“**New RCPL**”) and its shareholders and creditors (“**Scheme**”), is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Scheme provides for the following and various other matters consequent and incidental thereto:

- (i) transfer and vesting of the FMCG Brands Business Undertaking (*as defined hereinafter*) from RRL, a wholly-owned subsidiary of RRVL, to RRVL as a *going concern* on Slump Sale (*as defined hereinafter*) basis;
- (ii) amalgamation of RCPL, a wholly-owned subsidiary of RRVL, with RRVL; and
- (iii) demerger, transfer and vesting of Consumer Brands Business Undertaking (*as defined hereinafter*) from RRVL to New RCPL on a *going concern* basis.

(B) DESCRIPTION OF COMPANIES

1. **Reliance Retail Limited (“RRL”)** is incorporated under the provisions of the Companies Act, 1956, having Corporate Identity Number U01100MH1999PLC120563 and its registered office at 3rd Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai – 400002, Maharashtra, India. RRL is engaged in organised retail spanning across various consumption baskets primarily catering to Indian consumers. RRL is a wholly-owned subsidiary of RRVL and a subsidiary of Reliance Industries Limited (“**RIL**”).
2. **Reliance Retail Ventures Limited (“RRVL”)** is incorporated under the provisions of the Companies Act, 1956, having Corporate Identity Number U51909MH2006PLC166166 and its registered office at 4th Floor, Court House, Lokmanya Tilak Marg, Dhobi Talao, Mumbai – 400002, Maharashtra, India. RRVL primarily carries on the business of supply chain and logistics management for retail. RRVL is a subsidiary of RIL.
3. **Reliance Consumer Products Limited (“RCPL”)** is incorporated under the provisions of the Companies Act, 2013, having Corporate Identity Number U52300MH2022PLC394370 and its registered office at Floor – 4, Plot – 298/302, Court House, Lokmanya Tilak Marg, Kalbadevi, Mumbai – 400002, Maharashtra, India. RCPL is engaged in manufacturing, distribution, selling and marketing of multiple products under FMCG category and investments in subsidiaries and joint ventures engaged in FMCG category retail business. RCPL is a wholly-owned subsidiary of RRVL.
4. **Tira Beauty Limited (“New RCPL”)** is incorporated under the provisions of the Companies Act, 2013, having Corporate Identity Number U36900MH2021PLC372569 and its registered office at Floor – 4, Plot – 298/302, Court House, Lokmanya Tilak Marg, Kalbadevi, Mumbai – 400002, Maharashtra, India. It is proposed that New RCPL will carry on the business of manufacturing, distribution, selling and marketing of multiple products under FMCG category and making investments in subsidiaries and joint ventures engaged in FMCG category retail business. New RCPL is presently a wholly-owned subsidiary of RRVL. On consummation of this Scheme, New RCPL will become a direct subsidiary of RIL.

(C) RATIONALE

1. RRVL is the holding company of various retail businesses of RIL group. Apart from RIL which holds 83.56% in RRVL, there are other investors in RRVL holding 16.44%.
2. RCPL is a wholly-owned subsidiary of RRVL engaged in manufacturing, distribution, selling and marketing of multiple products under FMCG category.
3. RRL, another wholly-owned subsidiary of RRVL, is also engaged in FMCG brands business.
4. The Consumer Brands Business is one of building brands, managing entire product lifecycle from research, development, manufacturing, distribution and marketing. This is a large business by itself requiring specialised and focused attention, expertise and different skill sets as compared to retail business. This business also entails large capital investments on an on-going basis and can attract different set of investors. The Consumer Brands business is not part of retail business and it is proposed that this business is housed in a direct subsidiary of RIL.

5. Accordingly, this composite scheme is being undertaken as part of internal restructuring of companies in RIL group to house the Consumer Brands Business in New RCPL and will have RIL and other investors of RRVL holding the same percentage shareholding as in RRVL.

The Scheme is in the interest of all the Parties (*as defined hereinafter*) involved and their respective stakeholders.

(D) PARTS OF THE SCHEME

The Scheme is divided into the following parts:

- (i) **PART I** deals with the definitions, share capital of the Parties and date of taking effect and implementation of this Scheme;
- (ii) **PART II** deals with transfer and vesting of the FMCG Brands Business Undertaking from RRL, a wholly-owned subsidiary of RRVL, to RRVL as a *going concern* on Slump Sale basis;
- (iii) **PART III** deals with amalgamation of RCPL, a wholly-owned subsidiary of RRVL, with RRVL;
- (iv) **PART IV** deals with demerger, transfer and vesting of Consumer Brands Business Undertaking from RRVL to New RCPL on a going concern basis; and
- (v) **PART V** with the general terms and conditions that would be applicable to this Scheme.

PART I

DEFINITIONS, SHARE CAPITAL OF THE PARTIES AND DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

1. DEFINITIONS

- 1.1 In this Scheme, unless inconsistent with the subject or context thereof: (i) capitalised terms defined by inclusion in quotations and / or parenthesis shall have the meanings so ascribed; and (ii) the following expressions shall have the meanings ascribed hereunder:

“**Act**” means the Companies Act, 2013;

“**Applicable Law**” or “**Law**” means any applicable national, foreign, provincial, local or other law including applicable provisions of all: (i) constitutions, decrees, treaties, statutes, enactments, laws (including the common law), bye-laws, codes, notifications, rules, regulations, policies, guidelines, circulars, clearances, approvals, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Parties; (ii) Permits; and (iii) orders, decisions, writs, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties in each case having the force of law and that is binding or applicable to a Person as may be in force from time to time;

“**Appointed Date 1**” means opening business hours of April 1, 2025 or such other date as may be approved by the Board of the Parties for the purposes of: (i) transfer and vesting of the FMCG Brands Business Undertaking from RRL, a wholly-owned subsidiary of RRVL, to RRVL as a *going concern* on Slump Sale basis; and (ii) amalgamation of RCPL, a wholly-owned subsidiary of RRVL, with RRVL;

“**Appointed Date 2**” means the Effective Date or such other date as may be approved by the Board of RRVL and New RCPL for the purposes of demerger, transfer and vesting of Consumer Brands Business Undertaking from RRVL to New RCPL on a *going concern* basis;

“**Appropriate Authority(ies)**” means:

- (i) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunals, central bank, commission or other authority thereof; and

- (ii) any governmental, quasi-governmental or private body, self-regulatory organisation, or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, statutory, licensing, competition, Tax, importing, exporting or other governmental or quasi-governmental authority including without limitation, the Tribunal;

“**Board**” in relation to the Parties, means the board of directors of such Party, and shall include a committee of directors or any person authorized by such board of directors or such committee of directors duly constituted and authorized for the purposes of matters pertaining to this Scheme or any other matter relating thereto;

“**FMCG Brands Business**” means the business of manufacturing, distribution, selling and marketing of multiple products under FMCG category carried on by RRL including but not limited to all intellectual property, trademarks, brand assets, contracts or other rights and obligations related to or arising from the aforementioned business;

“**FMCG Brands Business Undertaking**” means the undertaking of RRL pertaining to the FMCG Brands Business including all assets and liabilities, and shall include without limitation:

- (i) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature), whether situated in India or abroad, including, without limitation, all land, buildings, fixtures and structures thereon, all moveable property contained therein, stocks, current assets, investments, cash or deposits and bank accounts, contingent rights or benefits, receivables, advances paid by or deemed to have been paid by or received by RRL, rights and benefits under any agreement, any benefits or rights available to or due to RRL pertaining to FMCG Brands Business, programs and content, exemptions, remissions, presentations, any reserves or funds, other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and all other interests of whatsoever nature, and wheresoever situated, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by RRL pertaining to FMCG Brands Business, and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by RRL pertaining to FMCG Brands Business, whether in India or abroad;
- (ii) all Permits, quotas, rights, privileges, entitlements, benefits or exemptions of any kind, industrial and other licences, whether from a governmental authority or third party, any bids, tenders, letters of intent, expressions of interest, consents, subsidies, privileges, income tax benefits and exemptions, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, and all other interests in connection with or pertaining to FMCG Brands Business;
- (iii) all debts, obligations, duties and liabilities, both present and future (including contingent liabilities and obligations under any licenses or Permits or schemes) of every kind, nature and description whatsoever and howsoever arising, pertaining to FMCG Brands Business;
- (iv) all contracts, agreements, schemes, arrangements and any other instruments pertaining to FMCG Brands Business;
- (v) all intellectual property and intellectual property rights (including any applications for the same) of any nature whatsoever, including all brands, logos, designs, labels, tradenames, trademarks, domain names, source code, computer programs, software licenses (whether proprietary or otherwise), object codes, social media handles, books, records, files, papers, product specifications, engineering and process-related information, research and studies, technical knowhow, confidential information and other benefits, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, and any other customer or supplier related information, whether in physical or electronic form, pertaining to FMCG Brands Business;
- (vi) all insurance policies related or pertaining to the FMCG Brands Business;
- (vii) any license fee / security deposits with any Appropriate Authority that may have been paid pertaining to FMCG Brands Business;

- (viii) entire experience, credentials, past record and market share of RRL pertaining to FMCG Brands Business; and
- (ix) all employees engaged in FMCG Brands Business.

Any question that may arise as to whether a specified asset or liability or employee pertains or does not pertain to FMCG Brands Business shall be decided by the Boards of RRL and RRVL;

“Consumer Brands Business” means the businesses of manufacturing, distribution, selling and marketing of multiple products under FMCG category which will be transferred to RRVL upon effectiveness of Part II and Part III of the Scheme, including but limited to all intellectual property, trademarks, brand assets, contracts or other rights and obligations related to or arising from the aforementioned businesses;

“Consumer Brands Business Undertaking” means the undertaking pertaining to the Consumer Brands Business including all assets and liabilities, and shall include without limitation:

- (i) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature), whether situated in India or abroad, including, without limitation, all land, buildings, fixtures and structures thereon, all moveable property contained therein, stocks, current assets, investments, cash or deposits and bank accounts, contingent rights or benefits, receivables, advances paid by or deemed to have been paid by or received by RRVL, rights and benefits under any agreement, any benefits or rights available to or due to RRVL pertaining to Consumer Brands Business, programs and content, exemptions, remissions, presentations, music content, any reserves or funds, other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and all other interests of whatsoever nature, and wheresoever situated, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by RRVL pertaining to Consumer Brands Business, and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by RRVL pertaining to Consumer Brands Business, whether in India or abroad;
- (ii) all Permits, quotas, rights, privileges, entitlements, benefits or exemptions of any kind, industrial and other licences, whether from a governmental authority or third party, any bids, tenders, letters of intent, expressions of interest, consents, subsidies, privileges, income tax benefits and exemptions, all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, and all other interests in connection with or pertaining to Consumer Brands Business;
- (iii) all debts, obligations, duties and liabilities, both present and future (including contingent liabilities and obligations under any licenses or Permits or schemes) of every kind, nature and description whatsoever and howsoever arising, pertaining to Consumer Brands Business including the Consumer Brands Business Undertaking Liabilities;
- (iv) all contracts, agreements, schemes, arrangements and any other instruments pertaining to Consumer Brands Business;
- (v) all intellectual property and intellectual property rights (including any applications for the same) of any nature whatsoever, including all brands, logos, designs, labels, tradenames, trademarks, domain names, source code, computer programs, software licenses (whether proprietary or otherwise), object codes, social media handles, books, records, files, papers, product specifications, engineering and process-related information, research and studies, technical knowhow, confidential information and other benefits, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, and any other customer or supplier related information, whether in physical or electronic form, pertaining to Consumer Brands Business;
- (vi) all insurance policies related or pertaining to the Consumer Brands Business;
- (vii) any license fee / security deposits with any Appropriate Authority that may have been paid pertaining to Consumer Brands Business;

- (viii) entire experience, credentials, past record and market share of RRVL pertaining to Consumer Brands Business; and
- (ix) all employees engaged in Consumer Brands Business.

Any question that may arise as to whether a specified asset or liability or employee pertains or does not pertain to Consumer Brands Business shall be decided by the Boards of RRVL and New RCPL;

“Effective Date” means the opening business hours of the first day of the calendar month immediately succeeding the calendar month in which the Scheme is sanctioned by the Tribunal. Reference in this Scheme to the date of **“coming into effect of this Scheme”** or **“effectiveness of this Scheme”** or **“effect of this Scheme”** or **“upon the Scheme becoming effective”** shall mean the Effective Date;

“Parties” means RRL, RRVL, RCPL and New RCPL collectively, and **“Party”** shall mean each of them, individually;

“Permits” means all consents, licences, permits, certificates, permissions, authorisations, rights, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory, regulatory or otherwise as required under the Applicable Law;

“Person” means an individual, a partnership, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;

“Record Date” means the date to be fixed by the Board of New RCPL in consultation with the Board of RRVL for the purpose of determining the shareholders of RRVL for issue of New RCPL New Equity Shares;

“Remaining Business of RRL” means all businesses of RRL other than the FMCG Brands Business;

“Remaining Business of RRVL” means all businesses of RRVL other than the Consumer Brands Business;

“RoC” means the Registrar of Companies, Mumbai, Maharashtra, Ministry of Corporate Affairs;

“Scheme” or **“the Scheme”** or **“this Scheme”** means this composite scheme of arrangement as modified from time to time;

“Slump Sale” means the sale of an undertaking on a *going concern* basis as defined under Section 2(42C) of the Income-tax Act, 1961, for a lump sum consideration without values being assigned to the individual assets and liabilities;

“Tax Laws” means all Applicable Laws dealing with Taxes including but not limited to income-tax, wealth tax, sales tax/ value added tax, service tax, goods and service tax, excise duty, customs duty or any other levy of similar nature;

“Taxation” or **“Tax”** or **“Taxes”** means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and services or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, collection at source, dividend distribution tax, advance tax, self-assessment tax, regular assessment taxes, minimum alternate tax, goods and services tax or otherwise or attributable directly or indirectly to any of the Parties and all penalties, charges, costs and interest relating thereto; and

“Tribunal” means the National Company Law Tribunal, Mumbai Bench.

1.2 Interpretation

In this Scheme, unless the context otherwise requires:

- 1.2.1 words in the singular shall include the plural and *vice versa*;
- 1.2.2 reference to any law or legislation shall include the rules and regulations thereunder;
- 1.2.3 headings are inserted for ease of reference only and shall not affect the construction or interpretation of the Scheme; and

- 1.2.4 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, Income-tax Act, 1961 or any other Applicable Laws, rules, regulations, bye laws, as the case may be.

2. SHARE CAPITAL

- 2.1 The share capital of RRL as on March 31, 2025, is as under:

Particulars	Amount (in Rs.)
Authorized share capital	
1350,00,00,000 equity shares of Rs. 10 each	13500,00,00,000
150,00,00,000 preference shares of Rs. 10 each	1500,00,00,000
Total	15000,00,00,000
Issued, subscribed and paid-up share capital	
898,69,74,090 equity shares of Rs. 10 each	8986,97,40,900
Total	8986,97,40,900

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid-up share capital of RRL.

- 2.2 The share capital of RRVL as on March 31, 2025, is as under:

Particulars	Amount (in Rs.)
Authorized share capital	
2000,00,00,000 equity shares of Rs. 10 each	20000,00,00,000
500,00,00,000 preference shares of Rs. 10 each	5000,00,00,000
Total	25000,00,00,000
Issued, subscribed and paid-up share capital	
701,12,42,660 equity shares of Rs. 10 each	7011,24,26,600
Total	7011,24,26,600

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid-up share capital of RRVL.

- 2.3 The share capital of RCPL as on March 31, 2025, is as under:

Particulars	Amount (in Rs.)
Authorized share capital	
10,00,00,000 equity shares of Rs. 10 each	100,00,00,000
Total	100,00,00,000
Issued, subscribed and paid-up share capital	
10,00,00,000 equity shares of Rs. 10 each	100,00,00,000
Total	100,00,00,000

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid-up share capital of RCPL.

- 2.4 The share capital of New RCPL as on March 31, 2025, is as under:

Particulars	Amount (in Rs.)
Authorized share capital	
10,00,000 equity shares of Rs. 10 each	1,00,00,000
Total	1,00,00,000
Issued, subscribed and paid-up share capital	
60,000 equity shares of Rs. 10 each	6,00,000
Total	6,00,000

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid-up share capital of New RCPL.

3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

Part II and Part III of this Scheme shall become effective from Appointed Date 1 and Part IV of this Scheme shall become effective from Appointed Date 2. This Scheme shall become operative from the Effective Date.

PART II

TRANSFER AND VESTING OF THE FMCG BRANDS BUSINESS UNDERTAKING FROM RRL, A WHOLLY-OWNED SUBSIDIARY OF RRVL, TO RRVL

4. TRANSFER AND VESTING OF THE FMCG BRANDS BUSINESS UNDERTAKING FROM RRL, A WHOLLY-OWNED SUBSIDIARY OF RRVL, TO RRVL

- 4.1 With effect from Appointed Date 1 and upon coming into effect of the Scheme and subject to the provisions of this Scheme and pursuant to Sections 230 to 232 of the Act, the FMCG Brands Business Undertaking shall, without any further act, instrument or deed, be transferred from RRL to and be vested in or be deemed to have been transferred to and vested in RRVL as a *going concern* on a Slump Sale basis so as to become on and from Appointed Date 1, an undertaking, of RRVL by virtue of operation of law, and in the manner provided for, in this Scheme.
- 4.2 With respect to the assets and properties forming part of the FMCG Brands Business Undertaking which are movable in nature (including but not limited to plant and machinery and intangible assets), intellectual property and intellectual property rights, including any applications for the same, of any nature whatsoever (including but not limited to brands, trademarks forming part of FMCG Brands Business Undertaking, whether registered or unregistered, along with all rights of a commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights and such other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred to RRVL with effect from Appointed Date 1 and shall, *ipso facto* and without any other or further order to this effect, become the assets and properties of RRVL without requiring any deed or instrument of conveyance for transfer of the same. The transfer pursuant to this Clause 4.2 shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or recordal, pursuant to this Scheme, as appropriate to the property being transferred, and title to the property shall be deemed to have been transferred accordingly.
- 4.3 With respect to the assets of the FMCG Brands Business Undertaking other than those referred to in Clause 4.2 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of RRL, the same shall, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in RRVL with effect from Appointed Date 1 by operation of law as transmission in favour of RRVL. With regard to assets such as leases or licenses of the properties, RRVL will enter into novation/assignment agreements, if it is so required.
- 4.4 In respect of such of the assets and properties forming part of the FMCG Brands Business Undertaking, which are immovable in nature, whether or not recorded in the books of RRL, including rights, interest and easements in relation thereto, the same shall stand transferred to and be vested in RRVL with effect from Appointed Date 1, without any act or deed or conveyance being required to be done or executed by RRL and/ or RRVL.
- 4.5 For the avoidance of doubt and without prejudice to the generality of Clause 4.4 above and Clause 4.6 below, it is clarified that, with respect to the immovable properties forming part of the FMCG Brands Business Undertaking in the nature of land and buildings, RRL and/ or RRVL shall register the true copy of the order(s) of the Tribunal approving the Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents which may be necessary in this regard. It is clarified that any document executed pursuant to this Clause 4.5 or Clause 4.6 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any asset forming part of the FMCG Brands Business Undertaking takes place and all assets of the FMCG Brands Business Undertaking shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme.

- 4.6 Notwithstanding anything contained in this Scheme, with respect to the immovable properties comprised in the FMCG Brands Business Undertaking in the nature of land and buildings situated in states other than the State of Maharashtra, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and transfer to RRVL, if RRVL so decides, RRL and/ or RRVL, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of RRVL in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme.
- 4.7 All debts, liabilities, loans, obligations and duties forming part of the FMCG Brands Business Undertaking, as on the Appointed Date 1 shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to RRVL and RRVL shall meet, discharge and satisfy the same.
- 4.8 The vesting of all the assets forming part of the FMCG Brands Business Undertaking, as aforesaid, shall be subject to encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such encumbrances shall be confined only to the relevant assets forming part of the FMCG Brands Business Undertaking or part thereof on or over which they are subsisting on and no such encumbrances shall extend over or apply to any other asset(s) of RRL and/or RRVL. Any reference in any security documents or arrangements (to which RRL is a party) related to any assets forming part of the FMCG Brands Business Undertaking shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of RRVL. Similarly, RRVL shall not be required to create any additional security over the assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of/ to be availed of by it, and the encumbrances in respect of such indebtedness of the FMCG Brands Business Undertaking shall not extend or be deemed to extend or apply to the assets so vested.
- 4.9 If the FMCG Brands Business Undertaking is entitled to any unutilized credits (including accumulated losses, capital loss and unabsorbed depreciation, book loss and book depreciation, withholding tax, advance tax, sales tax, excise duty, customs duty, service tax, value added tax, goods and services tax, other incentives), benefits under the state or central fiscal / investment incentive schemes and policies or concessions under any Applicable Law, any subsidies, special status, benefits, privileges granted by Appropriate Authority or by any other Person, RRVL shall, subject to Applicable Law, be entitled, as an integral part of the Scheme, to claim such benefit or incentives or unutilised credits as the case may be, in accordance with the Applicable Laws without any specific approval or permission. Without prejudice to the generality of the foregoing, in respect of unutilized input credits of goods and services tax and value added tax forming part of the FMCG Brands Business Undertaking, if any, the same shall be transferred to RRVL in accordance with Applicable Law.
- 4.10 All the Permits held or availed of by, and all rights and benefits forming part of the FMCG Brands Business Undertaking shall be transferred to RRVL, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of RRVL as if the same were originally given by or issued to or executed in favour of RRVL and RRVL shall be bound by the terms, obligations and duties thereunder and the rights and benefits under the same shall be available to RRVL to carry on the operations of the FMCG Brands Business Undertaking without any hindrance, whatsoever.
- 4.11 On coming into effect of this Scheme, without any further act or deed and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, engagements, arrangements and other instruments (including all tenancies, leases, licences and other assurances in favour of RRL or powers or authorities granted by or to it) of whatsoever nature in relation to the FMCG Brands Business Undertaking to which RRL is a party or to the benefit of which RRL may be eligible, or under which RRL has any obligations to discharge and which are subsisting or having effect shall, without any further act, instrument or deed, continue in full force and effect in favour of, by, for or against RRVL and may be enforced as fully and effectually as if, instead of RRL, RRVL had been a party or beneficiary or obligee or obliger thereto or thereunder.
- 4.12 On and from the Effective Date and till such time that the name(s) of the bank accounts forming part of the FMCG Brands Business Undertaking have been replaced with that of RRVL, RRVL shall be entitled to maintain and operate the said bank accounts of RRL in the name of RRL for such time as may be determined to be necessary

by RRVL. All cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of RRL in relation to or in connection with the FMCG Brands Business Undertaking, shall be accepted by the bankers of RRVL and credited to the account of RRVL, if presented by RRVL.

- 4.13 RRL and RRVL are expressly permitted to revise and file their respective income tax returns and other statutory returns along with necessary forms, filings and annexures even beyond the due date, if required, including tax deducted/collected at source returns, service tax returns, excise tax returns, sales tax / value added tax/ goods and services tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign taxes paid / withheld, etc. if any, as may be required for the purposes of/ consequent to implementation of the Scheme. It is further clarified that RRVL shall be entitled to claim deduction under Section 43B of the Income-tax Act, 1961 in respect of the unpaid liabilities transferred to it as part of the FMCG Brands Business Undertaking to the extent not claimed by RRL, as and when the same are paid subsequent to Appointed Date 1.
- 4.14 Subject to the other provisions of this Clause 4 and any other provisions of the Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with FMCG Brands Business Undertaking, RRL shall, if so required by RRVL, issue notices in such form as RRL and RRVL may mutually agree stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of RRVL, as the Person entitled thereto, to the end and intent that the right of RRL to recover or realise the same stands transferred to RRVL and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 4.15 Without prejudice to the foregoing provisions of this Clause 4 and upon effectiveness of this Scheme, RRL and RRVL may execute any and all instruments or documents and do all acts, deeds and things as may be required, including filing of necessary particulars and/ or modification(s) of charge(s), with the concerned RoC or filing of necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme.
- 4.16 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the FMCG Brands Business Undertaking occurs by virtue of this Scheme, RRVL may, at any time after the coming into effect of this Scheme, 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 RRL is a party or any writings as may be necessary in order to give effect to the provisions of this Scheme.

5. EMPLOYEES

- 5.1 With effect from the Effective Date, RRVL undertakes to engage all employees of RRL, engaged in or in relation to the FMCG Brands Business Undertaking, on the terms and conditions no less favourable than those on which they are engaged by RRL and without interruption in service.
- 5.2 The accumulated balances, if any, standing to the credit of and in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund and any other fund of which they are members, as the case may be, will be transferred respectively to such provident fund, gratuity fund, superannuation fund or any other fund(s) nominated by RRVL. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the existing provident fund, gratuity fund, superannuation fund and other fund respectively of RRL and such funds shall be held for the benefit of the employees transferred under the Scheme.

6. LEGAL PROCEEDINGS

- 6.1 Upon coming into effect of this Scheme, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands and legal proceedings of whatsoever nature by or against RRL pertaining to the period prior to the Effective Date, pending and/or arising on or before the Effective Date, shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme and shall be continued and be enforced by or against RRL in the same manner as being done hitherto. It is clarified that no legal proceedings shall be transferred along with the FMCG Brands Business Undertaking to RRVL, pursuant to this Scheme. Further, any legal proceeding arising after the Effective Date but pertaining to the period prior to the Effective Date, which may affect the FMCG Brands Business Undertaking, shall be conducted by RRL.

- 6.2 Notwithstanding anything contained hereinabove, if at any time after the Effective Date, RRVL is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority (including any proceedings with respect to Income-tax Act, 1961), in relation to the FMCG Brands Business Undertaking pertaining to the period prior to the Effective Date, RRL shall take all such steps in the proceedings before the Appropriate Authority to replace RRVL with RRL. However, if RRL is unable to get RRVL replaced in such proceedings, RRVL shall defend the same or deal with such demand at the cost of RRL and the latter shall fully indemnify and reimburse to RRVL all costs, liabilities and obligations incurred by RRVL in respect thereof.
- 6.3 Notwithstanding anything contained hereinabove, if at any time after the Effective Date, RRL is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority (including any proceedings with respect to Income-tax Act, 1961), in relation to the FMCG Brands Business Undertaking, which relates to the period after the Effective Date, RRVL shall, take all such steps in the proceedings before the Appropriate Authority to replace RRL with RRVL. However, if RRVL is unable to get RRL replaced in such proceedings, RRL shall defend the same or deal with such demand as per the directions of and at the cost of RRVL and the latter shall reimburse to RRL all liabilities and obligations incurred by RRL in respect thereof.

7. CONSIDERATION

- 7.1 Upon coming into effect of the Scheme and in consideration for the Slump Sale of the FMCG Brands Business Undertaking, RRVL shall, in accordance with the terms of the Scheme and without any further application, act, deed, payment, consent or instrument, pay a lump sum consideration equal to the carrying value of FMCG Brands Business Undertaking, calculated as the difference between the book value of assets and the book value of the liabilities of the FMCG Brands Business Undertaking, as appearing in the books of RRL on the Appointed Date 1.
- 7.2 The consideration as mentioned in Clause 7.1 above, shall be payable by RRVL to RRL by means of electronic fund transfer or by way of account payee cheque.

8. ACCOUNTING TREATMENT

RRVL and RRL shall comply with generally accepted accounting practices in India, provisions of the Act and accounting standards as notified by Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following:

8.1 In the books of RRL:

Upon this Scheme becoming effective, with effect from Appointed Date 1, RRL shall account for the transfer of the FMCG Brands Business Undertaking in its books in the following manner:

- 8.1.1 RRL shall reduce the carrying values of all the assets, liabilities and reserves / retained earnings, if any, pertaining to FMCG Brands Business Undertaking; and
- 8.1.2 RRL will account for the consideration received from RRVL. The difference between the consideration received and the net amount under Clause 8.1.1 above will be credited or debited to the retained earnings/ reserves, as the case maybe.

8.2 In the books of RRVL:

Upon this Scheme becoming effective and with effect from Appointed Date 1, RRVL shall account for the acquisition of the FMCG Brands Business Undertaking in its books of account as per Appendix C to Indian Accounting Standard (Ind AS) 103 "Business Combinations" notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 including but not limited to the following:

- 8.2.1 RRVL shall record all the assets, liabilities and reserves / retained earnings, if any, of the FMCG Brands Business Undertaking transferred to it in pursuance of this Scheme at their respective book values as appearing in the books of RRL; and
- 8.2.2 RRVL will account for the consideration discharged to RRL. The difference between the consideration discharged and the net amount under Clause 8.2.1 above will be credited or debited to the capital reserves.

9. REMAINING BUSINESS OF RRL

- 9.1 The Remaining Business of RRL shall continue to belong to and be owned and managed by RRL. RRL shall continue to be liable to perform and discharge all its liabilities and obligations in relation to the Remaining Business of RRL and RRVL shall not have any liability or obligation in relation to the Remaining Business of RRL.
- 9.2 If RRVL is in receipt of any demand, claim, notice and / or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Remaining Business of RRL, RRVL shall take all such steps in the proceedings before the Appropriate Authority to substitute RRVL with RRL. However, if RRVL is unable to get RRL so substituted in such proceedings, it shall defend the same or deal with such demand in accordance with the advice of RRL and at the cost of RRL and the latter shall reimburse RRVL, against all liabilities and obligations incurred by or against RRVL, in respect thereof.

10. BUSINESS UNTIL EFFECTIVE DATE

- 10.1 With effect from the date when the Board of the Parties approve this Scheme and up to and including the Effective Date, RRL shall carry on the business pertaining to the FMCG Brands Business Undertaking in the ordinary course consistent with past practice.
- 10.2 With effect from the Appointed Date 1 and up to and including the Effective Date:
- 10.2.1 RRL shall be deemed to have been carrying on its business and activities in relation to the FMCG Brands Business Undertaking and shall be deemed to have held and stood possessed of the FMCG Brands Business Undertaking for and on account of and in trust for RRVL;
- 10.2.2 all profits or income arising or accruing to RRL in relation to the FMCG Brands Business Undertaking and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, taxes withheld/paid in a foreign country, etc.) or losses arising or incurred by RRL shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses of RRVL; and
- 10.2.3 all loans raised and all liabilities and obligations incurred by RRL after the Appointed Date 1 and prior to the Effective Date in relation to the FMCG Brands Business Undertaking, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of RRVL and to the extent they are outstanding on the Effective Date, shall also, without any further act, instrument or deed be and be deemed to become the debts, liabilities, duties and obligations of RRVL.
- 10.3 RRL and RRVL, as the case may be, shall be entitled, pending the sanction of this Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which RRL and RRVL may require and to give effect to this Scheme.
- 10.4 Without prejudice to the aforesaid, RRL and RRVL shall be entitled to declare and pay dividends to their respective shareholders, whether interim or final.

11. VALIDITY OF EXISTING RESOLUTIONS

In terms of Regulation 23 read with Regulation 2(1)(zc) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”), RIL, the holding company of RRL has taken approval of its Audit Committee and in certain cases, its shareholders for the related party transaction(s) (as defined in LODR Regulations) between RRL and its related parties with respect to the FMCG Brands Business of RRL. Upon effectiveness of the Scheme, RRVL will step into the shoes of RRL with respect to such related party transaction(s) and shall become party on the same terms and conditions. As an integral part of this Scheme, the approval of the Audit Committee and shareholders of RIL for such related party transaction(s) shall be deemed to be the approval, for RRVL to be party to and undertake such related party transaction(s) on and with effect from the Appointed Date 1.

12. SAVING OF CONCLUDED TRANSACTIONS

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

13. PROPERTY IN TRUST

Notwithstanding anything contained in this Scheme, on or after Effective Date, until any property, asset, Permit, license, approval, permission, contract, agreement and rights and benefits arising therefrom pertaining to the FMCG Brands Business Undertaking are transferred, vested, recorded, effected and/ or perfected, in the records of any Appropriate Authority, regulatory bodies or otherwise, in favour of RRVL, RRVL is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authorities, RRL, will continue to hold the property and/ or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom, in trust for and on behalf of RRVL.

PART III

AMALGAMATION OF RCPL WITH RRVL

14. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF RCPL

- 14.1 Upon coming into effect of this Scheme, with effect from the Appointed Date 1 and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(1B) of the Income-tax Act, 1961, RCPL shall stand amalgamated with RRVL as a *going concern* and all assets and liabilities of RCPL shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in RRVL, so as to become on and from the Appointed Date 1, the assets and liabilities of RRVL by virtue of operation of law, and in the manner provided in this Scheme.
- 14.2 With respect to the assets and properties of RCPL which are movable in nature (including but not limited to plant and machinery and intangible assets) or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred upon coming into effect of this Scheme and shall, *ipso facto* and without any other order to this effect, become the assets and properties of RRVL without requiring any deed or instrument of conveyance for transfer of the same.
- 14.3 With respect to the assets and properties of RCPL other than those referred to in Clause 14.2 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties, if any), investments, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of RCPL, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in RRVL with effect from the Appointed Date 1 by operation of law as transmission in favour of RRVL. With regard to assets such as leases or licenses of the properties, RRVL will enter into novation agreements, if it is so required.
- 14.4 In respect of such of the assets and properties of RCPL which are movable in nature, whether or not recorded in the books of RCPL, including rights, interest and easements in relation thereto, the same shall stand transferred to and be vested in RRVL with effect from the Appointed Date 1, without any act or deed or conveyance being required to be done or executed by RCPL and / or RRVL.
- 14.5 For the avoidance of doubt and without prejudice to the generality of Clause 14.4 above, it is clarified that, with respect to the immovable properties of RCPL in the nature of land and buildings, RCPL and/ or RRVL shall register the true copy of the orders of the Tribunal approving this Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents which may be necessary in this regard. It is clarified that any document executed pursuant to this Clause 14.5 will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any asset of RCPL takes place and all assets of RCPL shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme.

- 14.6 Notwithstanding anything contained in this Scheme, with respect to the immovable properties of RCPL in the nature of land and buildings situated in states other than the state of Maharashtra, whether owned or leased, for the purpose of, inter alia, payment of stamp duty, and vesting in RRVL, if RRVL so decides, RCPL and/or RRVL, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of RRVL in respect of such immovable properties. Each of the immovable properties, only for the purposes of payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value as determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme.
- 14.7 Upon effectiveness of this Scheme, all debts, liabilities, loans, obligations and duties of RCPL as on the Appointed Date 1 shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to RRVL to the extent that they are outstanding as on the Appointed Date 1 and RRVL shall meet, discharge and satisfy the same.
- 14.8 Unless otherwise agreed to between RCPL and RRVL, the vesting of all the assets of RCPL, as aforesaid, shall be subject to encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such encumbrances shall be confined only to the relevant assets of RCPL or part thereof on or over which they are subsisting on and no such encumbrances shall extend over or apply to any other asset(s) of RRVL. Any reference in any security documents or arrangements (to which RCPL is a party) related to any assets of RCPL shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of RRVL. Similarly, RRVL shall not be required to create any additional security over the assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of/to be availed of by it, and the encumbrances in respect of such indebtedness of RRVL shall not extend or be deemed to extend or apply to the assets so vested.
- 14.9 If RCPL is entitled to any unutilized credits (including accumulated losses and unabsorbed depreciation, book loss and book depreciation, minimum alternate tax credit, withholding tax, advance tax, sales tax, excise duty, customs duty, service tax, value added tax, goods and service tax, other incentives), benefits under the state or central fiscal/ investment incentive schemes and policies or concessions under any Tax law or Applicable Law, any subsidies, special status, benefits, privileges granted by Appropriate Authority or by any other Person, RRVL shall be entitled, as an integral part of this Scheme, to claim such benefit or incentives or unutilised credits as the case may be, in accordance with the Applicable Laws without any specific approval or permission. Without prejudice to the generality of the foregoing, in respect of unutilized input credits of goods and service tax and value added tax of RCPL, if any, the same shall be transferred to RRVL in accordance with the Applicable Law.
- 14.10 With effect from the Appointed Date 1, all the Permits held or availed of by, and all rights and benefits that have accrued to RCPL shall be transferred to RRVL, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of RRVL as if the same were originally given by or issued to or executed in favour of RRVL and RRVL shall be bound by the terms, obligations and duties thereunder and the rights and benefits under the same shall be available to RRVL to carry on the operations of RCPL without any hindrance, whatsoever.
- 14.11 On coming into effect of this Scheme, without any further act or deed and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, engagements, arrangements and other instruments (including all licences and other assurances in favour of RCPL or powers or authorities granted by or to it) of whatsoever nature to which RCPL is a party or to the benefit of which RCPL may be eligible, or under which RCPL has any obligations to discharge and which are subsisting or having effect shall, without any further act, instrument or deed, continue in full force and effect in favour of or against RRVL and may be enforced as fully and effectually as if, instead of RCPL, RRVL had been a party or beneficiary or obligee or obligor thereto or thereunder.
- 14.12 On and from the Effective Date and till such time that the name(s) in the bank accounts of RCPL have been replaced with that of RRVL, RRVL shall be entitled to maintain and operate the bank accounts of RCPL in the name of RCPL for such time as may be determined to be necessary by RRVL. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of RCPL after the Effective Date shall be accepted by the bankers of RRVL and credited to the account of RRVL, if presented by RRVL.
- 14.13 Without prejudice to the provisions of the foregoing sub-clauses of this Clause 14 and upon the effectiveness of this Scheme, RCPL and RRVL may execute any and all instruments or documents and do all the acts, deeds and things as may be required, including filing of necessary particulars and/or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to this Scheme.

15. EMPLOYEES

- 15.1 With effect from the Effective Date, all employees of RCPL shall become employees of RRVL on terms and conditions no less favourable than those on which they are engaged by RCPL without interruption in service.
- 15.2 The accumulated balances, if any, standing to the credit of and in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund, national pension scheme and any other fund of which they are members, as the case may be, will be transferred to the funds of RRVL set-up in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities or to the funds nominated by RRVL. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the existing provident fund, gratuity fund, superannuation fund, national pension scheme account and other fund respectively of RCPL and such funds shall be held for the benefit of the employees transferred under this Scheme.

16. LEGAL PROCEEDINGS

- 16.1 If any suit, cause of actions, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings, all tax assessment proceedings / appeals of whatever nature (hereinafter called the “**Proceedings of RCPL**”) by or against RCPL are pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the amalgamation or of anything contained in this Scheme, but the Proceedings of RCPL may be continued, prosecuted and enforced by or against RRVL in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against RCPL as if this Scheme had not been made. On and from the Effective Date, RRVL may initiate any legal proceeding(s) for and on behalf of RCPL.
- 16.2 From the Appointed Date 1 and until the Effective Date, RCPL shall defend all legal proceedings, other than in the ordinary course of business.

17. CONSIDERATION

RCPL is a wholly owned subsidiary of RRVL and therefore there shall be no issue of shares as consideration for the amalgamation of RCPL with RRVL.

18. ACCOUNTING TREATMENT

Upon the effectiveness of this Scheme and with effect from the Appointed Date 1, RRVL shall account for the amalgamation of RCPL in its books as per Appendix C to Indian Accounting Standard (Ind AS) 103 “Business Combinations” notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 including but not limited to the following:

- 18.1 RRVL shall record the assets, liabilities and reserves of RCPL vested in it pursuant to this Scheme, at the respective book values thereof;
- 18.2 The investments held by RRVL in RCPL, inter-company transactions and balances shall stand cancelled pursuant to the amalgamation; and
- 18.3 The net difference, if any, between: (i) the book value of assets, liabilities and reserves of RCPL as per Clause 18.1 above after making adjustments as per Clause 18.2 above; and (ii) the amount of investment made in the equity shares of RCPL, shall be transferred to capital reserve.

19. TAXES / DUTIES / CESS

Part III of this Scheme has been drawn up to comply with the conditions as specified under Section 2(1B) and other relevant sections of the Income-tax Act, 1961. If any of the terms or provisions of Part III of this Scheme are found or interpreted to be inconsistent with the provisions of the said sections at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time this Scheme becomes effective, the provisions of the said sections of the Income-tax Act, 1961, shall prevail and Part III of this Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) and other relevant sections of the Income-tax, Act, 1961. Upon the effectiveness of the Scheme, by operation of law pursuant to the order of the Tribunal:

- 19.1 Taxes of whatsoever nature including advance tax, self-assessment tax, regular assessment taxes, tax deducted at source, dividend distribution tax, minimum alternative tax, if any, paid by RCPL shall be treated as paid by RRVL and it shall be entitled to claim the credit, refund, adjustment for the same as may be applicable notwithstanding

that challans or records may be in the name of RCPL. Further, any tax deducted at source by RCPL / RRVL on payables to RRVL / RCPL, respectively, which income shall not be accrued in the books pursuant to this Scheme, shall also be deemed to be advance taxes paid by RRVL and shall, in all proceedings, be dealt with accordingly.

- 19.2 RRVL / RCPL are expressly permitted to revise and file their income tax returns and other statutory returns, along with the necessary forms, filings and annexures even beyond the due date, if required, including but not limited to tax deducted/ collected at source returns, service tax returns, excise tax returns, sales tax/ value added tax/ goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign Taxes paid/ withheld, etc. if any, as may be required for the purposes of/ consequent to implementation of this Scheme. All compliances undertaken by RCPL from the Appointed Date 1 till the Effective Date will be considered as compliances undertaken by RRVL. RRVL shall be entitled to credit of the tax paid including, but not limited to, credit of the advance tax, self-assessment tax, tax deducted at source, tax collected at source and credit under GST law, in relation to RCPL, for the period between the Appointed Date 1 and the Effective Date.
- 19.3 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, rebate, etc., RRVL, if so required, shall issue notice in the name of RCPL or in such form as it may deem fit and proper, stating that pursuant to the Tribunal having sanctioned this Scheme under Sections 230 to 232 and other applicable provisions of the Act, the relevant refund, benefit, incentive, grant, subsidies, rebate, etc. granted by any Government body, local authority or by any other person under the Tax Laws due to RCPL shall stand vested in RRVL and the above benefits be paid or made good or held on account of RRVL, as the person entitled thereto, to the end and intent that the right of RCPL, to recover or realise the same, stands transferred to RRVL.
- 19.4 Obligation for deduction of tax at source on any payment made by or to be made by RCPL, under Tax Laws or other applicable laws/ regulations dealing with Taxes/ duties/ levies duly complied by RCPL shall be made or deemed to have been made and duly complied with by RRVL.

20. VALIDITY OF EXISTING RESOLUTIONS, ETC.

- 20.1 Upon this Scheme coming into effect, the resolutions / power of attorneys / letter of authority(ies) executed by RCPL and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions, power of attorney and letter of authority(ies) passed / executed by RRVL and if any such resolutions have any monetary limits approved under the provisions of the Act or any other applicable statutory provisions, then such limits shall be added to the limits, if any, under like resolutions passed by RRVL and shall constitute the new aggregate limits for each of the subject matters covered under such resolutions for the purpose of RRVL.
- 20.2 In terms of Regulation 23 read with Regulation 2(1)(zc) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”), RIL, the holding company of RCPL has taken approval of its Audit Committee and in certain cases, its shareholders for the related party transaction(s) (as defined in LODR Regulations) between RCPL and its related parties with respect to its business. Upon effectiveness of the Scheme, RRVL will step into the shoes of RCPL with respect to such related party transaction(s) and shall become party on the same terms and conditions. As an integral part of this Scheme, the approval of the Audit Committee and shareholders of RIL for such related party transaction(s) shall be deemed to be the approval, for RRVL to be party to and undertake such related party transaction(s) on and with effect from the Appointed Date 1.

21. BUSINESS UNTIL EFFECTIVE DATE

- 21.1 With effect from the date when the Board of the Parties approve this Scheme and up to and including the Effective Date, RCPL shall carry on its business in the ordinary course consistent with past practice.
- 21.2 With effect from the Appointed Date 1 and up to and including the Effective Date:
- 21.2.1 RCPL shall be deemed to have been carrying on its business and activities and shall be deemed to have held and stood possessed of its assets and liabilities for and on account of and in trust for RRVL;
- 21.2.2 all profits or income arising or accruing to RCPL and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, taxes withheld/paid in a foreign country, etc.)

or losses arising or incurred by RCPL shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses of RRVL; and

21.2.3 all loans raised and all liabilities and obligations incurred by RCPL after the Appointed Date 1 and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of RRVL and to the extent they are outstanding on the Effective Date, shall also, without any further act, instrument or deed be and be deemed to become the debts, liabilities, duties and obligations of RRVL.

21.3 Without prejudice to the aforesaid, RCPL and RRVL shall be entitled to declare and pay dividends to their respective shareholders, whether interim or final.

21.4 RCPL and RRVL, as the case may be, shall be entitled, pending the sanction of this Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which RCPL and RRVL may require and to give effect to this Scheme.

22. SAVING OF CONCLUDED TRANSACTIONS AND PROPERTY IN TRUST

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

22.2 Notwithstanding anything contained in this Scheme, on or after Effective Date, until any property, asset, Permit, license, approval, permission, contract, agreement and rights and benefits arising therefrom pertaining to the business of RCPL are transferred, vested, recorded, effected and/ or perfected, in the records of any Appropriate Authority, regulatory bodies or otherwise, in favour of RRVL, RRVL is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement.

23. DISSOLUTION OF RCPL

Upon this Scheme becoming effective, RCPL shall stand dissolved without winding up and the Board and any committees thereof shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date, the name of RCPL shall be deemed to be struck off from the records of the RoC.

PART IV

DEMERGER AND VESTING OF CONSUMER BRANDS BUSINESS UNDERTAKING FROM RRVL TO NEW RCPL

24. DEMERGER AND VESTING OF CONSUMER BRANDS BUSINESS UNDERTAKING

24.1 Upon coming into effect of Part II and Part III of this Scheme and with effect from the Appointed Date 2 and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(19AA) of the Income-tax Act, 1961, all assets, Permits, contracts, liabilities, loan, duties and obligations of the Consumer Brands Business Undertaking shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in New RCPL on a *going concern* basis, so as to become as and from the Appointed Date 2, the assets, Permits, contracts, liabilities, loan, duties and obligations of New RCPL by virtue of operation of law, and in the manner provided in this Scheme.

This demerger under Part IV of the Scheme complies with the definition of “demerger” as per Section 2(19AA) and other provisions of the Income-tax Act, 1961. If any terms of this Scheme are found to be or interpreted to be inconsistent with provisions of the Income-tax Act, 1961, then this Scheme shall stand modified to be in compliance with Section 2(19AA) of the Income-tax Act, 1961.

24.2 Without prejudice to the generality of the provisions of Clause 24.1 above, the manner of transfer of the Consumer Brands Business Undertaking under this Scheme, is as follows:

- 24.2.1 In respect of such of the assets and properties forming part of the Consumer Brands Business Undertaking which are movable in nature (including but not limited to all intangible assets), intellectual property and intellectual property rights, including any applications for the same, of any nature whatsoever including but not limited to brands, trademarks forming part of the Consumer Brands Business Undertaking, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights and such other industrial and intellectual property rights of whatsoever nature or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred by RRVL to New RCPL upon coming into effect of this Scheme and shall, *ipso facto* and without any other or further order to this effect, become the assets and properties of New RCPL without requiring any deed or instrument of conveyance for transfer of the same. The transfer pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or recordal, pursuant to this Scheme, as appropriate to the property being transferred, and title to the property shall be deemed to have been transferred accordingly;
- 24.2.2 Subject to Clause 24.2.3 below, with respect to the moveable assets of the Consumer Brands Business Undertaking other than those referred to in Clause 24.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of RRVL, the same shall, without any further act, instrument or deed, be transferred to and/or be deemed to be transferred to New RCPL, with effect from the Appointed Date 2 by operation of law as transmission in favour of New RCPL. With regard to the licenses of the properties, New RCPL will enter into novation agreements, if it is so required;
- 24.2.3 In respect of such of the assets and properties forming part of the Consumer Brands Business Undertaking which are immovable in nature, whether or not included in the books of RRVL, including rights, interest and easements in relation thereto, the same shall stand transferred to New RCPL with effect from the Appointed Date 2, without any act or deed or conveyance being required to be done or executed by RRVL and/or New RCPL;
- 24.2.4 For the avoidance of doubt and without prejudice to the generality of Clause 24.2.3 above and Clause 24.2.5 below, it is clarified that, with respect to the immovable properties comprised in the Consumer Brands Business Undertaking in the nature of land and buildings, RRVL and New RCPL shall register the true copy of the order of the Tribunal approving this Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 24.2.4 or Clause 24.2.5 below will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any part of the Consumer Brands Business Undertaking takes place and the Consumer Brands Business Undertaking shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme;
- 24.2.5 Notwithstanding anything contained in this Scheme, with respect to the immovable properties comprised in the Consumer Brands Business Undertaking in the nature of land and buildings situated in states other than the state of Maharashtra, whether owned or leased, for the purpose of, *inter alia*, payment of stamp duty and transfer to New RCPL, if New RCPL so decides, RRVL and New RCPL, may execute and register or cause to be executed and registered, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of New RCPL in respect of such immovable properties. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a value determined by the relevant authorities in accordance with the applicable circle rates. The transfer of such immovable properties shall form an integral part of this Scheme;
- 24.2.6 Upon effectiveness of the Scheme, all debts, liabilities, loans, obligations and duties of RRVL as on the Appointed Date 2 and relatable to the Consumer Brands Business Undertaking (“**Consumer Brands Business Undertaking Liabilities**”) shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to New RCPL to the extent that they are outstanding as on the Appointed Date 2. The term Consumer Brands Business Undertaking Liabilities shall include:

- 24.2.6.1 the debts, liabilities obligations incurred and duties of any kind, nature or description (including contingent liabilities) which arise out of the activities or operations of the Consumer Brands Business Undertaking;
- 24.2.6.2 the specific loans or borrowings (including, notes and other debt securities raised, incurred and utilized solely for the activities or operations of the Consumer Brands Business Undertaking); and
- 24.2.6.3 in cases other than those referred to in Clauses 24.2.6.1 or 24.2.6.2 above, so much of the amounts of general or multipurpose borrowings, if any, of RRVL, as stand in the same proportion which the value of the assets transferred pursuant to the demerger of the Consumer Brands Business Undertaking bear to the total value of the assets of RRVL immediately prior to the Appointed Date 2.

However, the tax liabilities and tax demands or refunds received or to be received by RRVL for a period prior to the Appointed Date 2 in relation to the Consumer Brands Business Undertaking shall not be transferred as part of the Consumer Brands Business Undertaking to New RCPL;

- 24.2.7 Post the Effective Date, RRVL may, at the request of New RCPL, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, or deposit, contracts or policies relating to the Consumer Brands Business Undertaking stands transferred to New RCPL and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes;
- 24.2.8 In so far as encumbrances, if any, in respect of the Consumer Brands Business Undertaking Liabilities, such encumbrance shall, without any further act, instrument or deed being required to be taken or modified, be extended to and shall operate only over the assets comprised in the Consumer Brands Business Undertaking which have been encumbered in respect of the Consumer Brands Business Undertaking Liabilities as transferred to New RCPL pursuant to this Scheme. Further, in so far as the assets comprised in the Consumer Brands Business Undertaking are concerned, the encumbrance over such assets relating to any loans, liabilities, borrowings or other debts which are not transferred to New RCPL pursuant to this Scheme and which continue with RRVL shall without any further act, instrument or deed be released from such encumbrance and shall no longer be available as security in relation to such liabilities and RRVL shall provide such other security that may be agreed between RRVL and the respective lenders having the encumbrance. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above;
- 24.2.9 Subject to Clause 24 and any other provisions of this Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Consumer Brands Business Undertaking, RRVL shall, if so required by New RCPL, issue notices in such form as New RCPL may deem fit and proper, stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of New RCPL, as the Person entitled thereto, to the end and intent that the right of RRVL to recover or realise the same stands transferred to New RCPL and that appropriate entries should be passed in their respective books to record the aforesaid changes;
- 24.2.10 On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of RRVL and are in relation to or in connection with the Consumer Brands Business Undertaking, shall be accepted by the bankers of New RCPL and credited to the account of New RCPL, if presented by New RCPL;
- 24.2.11 Permits, including the benefits attached thereto of RRVL, in relation to the Consumer Brands Business Undertaking, shall be transferred to New RCPL from the Appointed Date 2, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of New RCPL as if the same were originally given by, issued to or executed in favour of New RCPL and New RCPL shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to New RCPL to carry on the operations of the Consumer Brands Business Undertaking without any hindrance, whatsoever; and
- 24.2.12 Contracts in relation to the Consumer Brands Business Undertaking, where RRVL is a party, shall stand transferred to New RCPL pursuant to the Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer shall not affect the operation of

the foregoing sentence. RRVL and New RCPL shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.

- 24.3 Without prejudice to the provisions of the foregoing sub-clauses of this Clause 24 and upon the effectiveness of this Scheme, RRVL and New RCPL may execute any and all instruments or documents and do all acts, deeds and things as may be required, including executing necessary confirmatory deeds for filing with the trademark registry and Appropriate Authorities, filing of necessary particulars and/ or modification(s) of charge with the concerned RoC or filing of necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to this Scheme. RRVL shall take such actions as may be necessary to get the assets pertaining to the Consumer Brands Business Undertaking transferred to and registered in, the name of New RCPL, as per Applicable Law.

25. EMPLOYEES

- 25.1 With effect from the Effective Date, all employees of RRVL engaged in or in relation to the Consumer Brands Business Undertaking shall become the employees of New RCPL on terms and conditions no less favourable than those on which they are engaged by RRVL and without any interruption in service. The decision on whether or not an employee is part of the Consumer Brands Business Undertaking shall be decided by RRVL, and such decision shall be final and binding on RRVL and New RCPL concerned.
- 25.2 The accumulated balances, if any, standing to the credit in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund and any other fund of which they are members, as the case may be, will be transferred to the respective funds of New RCPL set-up in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities or to the funds nominated by New RCPL. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the existing provident fund, gratuity fund, superannuation fund and other fund respectively of RRVL.

26. LEGAL PROCEEDINGS

- 26.1 Upon coming into effect of this Scheme, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands, legal and other proceedings of whatsoever nature (except proceedings under the Income-tax Act, 1961) by or against RRVL pending and/or arising on or before the Appointed Date 2 or which may be instituted at any time thereafter and in each case relating to the Consumer Brands Business Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme and shall be continued and be enforced by or against New RCPL in the same manner and to the same extent as would or might have been continued and enforced by or against RRVL. New RCPL shall be substituted in place of RRVL or added as party to such proceedings and shall prosecute or defend all such proceedings at its own cost, in cooperation with RRVL and the liability of RRVL shall stand nullified. RRVL shall in no event be responsible or liable in relation to any such legal or other proceedings in relation to the Consumer Brands Business Undertaking.
- 26.2 New RCPL undertakes to have all legal and other proceedings (except proceedings under the Income-tax Act, 1961) initiated by or against RRVL referred to in Clause 26.1 above transferred to its name as soon as is reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against New RCPL to the exclusion of RRVL on priority. RRVL and New RCPL shall make relevant applications and take all steps as may be required in this regard.
- 26.3 Notwithstanding anything contained herein above, if at any time after the Effective Date, RRVL is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority (except proceedings under the Income-tax Act, 1961), in each case in relation to the Consumer Brands Business Undertaking, RRVL shall, in view of the transfer and vesting of the Consumer Brands Business Undertaking pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to replace RRVL

with New RCPL. However, if RRVL is unable to get New RCPL replaced in its place in such proceedings, RRVL shall defend the same or deal with such demand in accordance with the advice of New RCPL and at the cost of New RCPL and the latter shall reimburse to RRVL all liabilities and obligations incurred by RRVL in respect thereof.

27. TAXES/ DUTIES/ CESS

- 27.1 If RRVL is entitled to any unutilized credits (including accumulated losses and unabsorbed depreciation), advance tax, tax deduction at source, tax collection at source, benefits under the state or central fiscal / investment incentive schemes and policies or concessions relating to the Consumer Brands Business Undertaking under any Tax Law or Applicable Law, New RCPL shall be entitled, as an integral part of this Scheme, to claim such benefit or incentives or unutilised credits, as the case may be, without any specific approval or permission and such benefit or incentives or unutilised credits, as the case may be, shall be available for utilisation to New RCPL in accordance with Applicable Law.
- 27.2 Upon the Scheme becoming effective, RRVL and New RCPL shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of this Scheme. It is further clarified that New RCPL shall be entitled to claim deduction under Section 43B of the Income tax Act, 1961, in respect of unpaid liabilities transferred to it as part of the Consumer Brands Business Undertaking to the extent not claimed by RRVL, as and when the same are paid subsequent to the Appointed Date 2.

28. CONSIDERATION AND DISCHARGE OF CONSIDERATION

- 28.1 The consideration for the demerger of the Consumer Brands Business Undertaking shall be the issue by New RCPL of 1 (One) fully paid-up equity share of New RCPL having face value of Rs. 10 (Rupees Ten) each for every 2 (Two) fully paid-up equity share of Rs. 10 (Rupees Ten) each of RRVL (“**New RCPL New Equity Shares**”).
- 28.2 Upon coming into effect of the Scheme and subject to the provisions of this Scheme, New RCPL shall, without any further application, act, deed, consent or instrument, issue and allot, the New RCPL New Equity Share(s) to the shareholders of RRVL who hold fully paid-up equity shares of RRVL and whose names are recorded in the register of members and/ or records of the depository on the Record Date, the New RCPL New Equity Shares in the ratio set out in Clause 28.1 above. Provided however, fractional entitlements, if any, shall be ignored.
- 28.3 The issue price of each New RCPL New Equity Share shall be $(‘A’ - ‘B’) / ‘C’$, where ‘A’ is the book value of the assets minus liabilities of the Consumer Brands Business Undertaking as of the Appointed Date 2; ‘B’ is the reserves/retained earnings of the Consumer Brands Business Undertaking, if any, to the extent identified and transferred to New RCPL under this Scheme; and ‘C’ is the total number of equity shares issued and allotted by New RCPL pursuant to this Clause 28. The difference between the issue price and the face value of equity shares to be issued and allotted by the New RCPL will be recorded as securities premium.
- 28.4 The New RCPL New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of New RCPL, including with respect to dividend, bonus, rights shares, voting rights and other corporate benefits attached to the New RCPL New Equity Shares.
- 28.5 The New RCPL New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialised form.
- 28.6 The issue and allotment of the New RCPL New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of New RCPL or its 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 New RCPL to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of the New RCPL New Equity Shares under applicable provisions of the Act.
- 28.7 The equity shares to be issued pursuant to this Scheme in respect of any equity shares of RRVL which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by New RCPL.

- 28.8 In the event RRVL restructures its share capital by way of share split or consolidation or any other corporate action before the Record Date, the share entitlement ratio set out in Clause 28.1 shall be suitably adjusted considering the effect of such corporate action without requirement of any further approval from shareholders or Appropriate Authority.

29. ACCOUNTING TREATMENT

RRVL and New RCPL shall comply with generally accepted accounting practices in India, provisions of the Act and accounting standards as notified by Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following:

29.1 In the books of RRVL

With effect from the Appointed Date 2 and upon Part IV of the Scheme coming into effect, RRVL shall account for the demerger in its books of account in the following manner:

29.1.1 RRVL shall de-recognize the carrying values of the tangible assets, intangible assets, financial assets and liabilities and other assets and liabilities as on the Appointed Date 2, that are held in and /or transferred to New RCPL pursuant to this Scheme in accordance with de-recognition related stipulations contained in the relevant Ind AS; and

29.1.2 The net amount so de-recognised and the adjustment thereof against retained earnings will be presented separately in the financial statements as impact of demerger.

29.2 In the books of New RCPL

With effect from the Appointed Date 2 and upon Part IV of the Scheme coming into effect, New RCPL shall account for the demerger in its books of account as per Appendix C to Indian Accounting Standard (Ind AS) 103 “Business Combinations” notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, including but not limited to the following:

29.2.1 New RCPL shall record all assets, liabilities and reserves/retained earnings, if any of the Consumer Brands Business Undertaking transferred to it in pursuance of this Scheme at their respective book values appearing in the books of RRVL;

29.2.2 If the accounting policies adopted by New RCPL are different from those adopted by RRVL, the assets, liabilities and reserves/retained earnings of the Consumer Brands Business Undertaking shall be accounted in the books of New RCPL adopting uniform accounting policies consistent with the Companies (Indian Accounting Standards) Rules, 2015;

29.2.3 Any change effected in the book value of the assets, liabilities and reserves/retained earnings of the Consumer Brands Business Undertaking pursuant to Clause 29.2.2 above, shall be carried out in the books of New RCPL with appropriate disclosures as required under Indian Accounting Standard – 8 “Accounting Policies, Changes in Accounting Estimates and Errors”; and

29.2.4 The difference between: (A) the carrying value of assets minus liabilities and reserves/retained earnings, if any, recorded in the books of New RCPL; and (B) the value of the New RCPL New Equity Shares issued and allotted to the shareholders of RRVL (number of New RCPL New Equity Shares issued multiplied by issue price per New RCPL New Equity Shares) as consideration, if any, shall be debited/ credited to the capital reserve account of New RCPL.

30. BUSINESS UNTIL EFFECTIVE DATE

- 30.1 With effect from the date when the Board of the Parties approve this Scheme and up to and including the Effective Date, RRVL shall carry on the business pertaining to the Consumer Brands Business Undertaking in the ordinary course consistent with past practice. Without prejudice to the aforesaid, RRVL and New RCPL shall be entitled to declare and pay dividends to their respective shareholders, whether interim or final.

- 30.2 RRVL and New RCPL, as the case may be, shall be entitled, pending the sanction of this Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which RRVL and New RCPL may require and to give effect to this Scheme.

31. REMAINING BUSINESS OF RRVL

- 31.1 The Remaining Business of RRVL shall continue to belong to and be owned and managed by RRVL. RRVL shall continue to be liable to perform and discharge all its liabilities and obligations in relation to the Remaining Business of RRVL and New RCPL shall not have any liability or obligation in relation to the Remaining Business of RRVL.
- 31.2 If New RCPL is in receipt of any demand, claim, notice and/or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Remaining Business of RRVL, New RCPL shall take all such steps in the proceedings before the Appropriate Authority to substitute New RCPL with RRVL. However, if New RCPL is unable to replace RRVL in such proceedings, New RCPL shall defend the same or deal with such demand at the cost of RRVL and the latter shall reimburse New RCPL, against all liabilities and obligations incurred by or against New RCPL, in respect thereof.

32. VALIDITY OF EXISTING RESOLUTIONS, ETC.

- 32.1 Upon the coming into effect of this Scheme, the resolutions/ power of attorney / letters of authority(ies) of RCPL which have been considered as resolutions / power of attorney / letters of authority(ies) executed by RRVL in terms of clause 20.1 of this Scheme shall be considered as resolutions / power of attorney / letters of authority(ies) passed/ executed by New RCPL and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then said limits shall be added to the limits, if any, under like resolutions passed by New RCPL, and shall constitute the aggregate of the said limits in New RCPL.
- 32.2 Upon the coming into effect of this Scheme, the approvals taken by RIL in terms of Regulation 23 read with Regulation 2(1)(zc) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR Regulations**”) from its Audit Committee and in certain cases, its shareholders for the related party transaction(s) (as defined in LODR Regulations) between (i) RRL and its related parties with respect to the FMCG Brands Business of RRL; and (ii) RCPL and its related parties, which in terms of clause 11 and clause 20.2 of this Scheme have been deemed to be approvals for RRVL to be a party to and undertake such related party transaction(s) on and with effect from Appointed Date 1, shall be deemed to be approvals for New RCPL to be a party to and undertake such related party transaction(s) on and with effect from the Appointed Date 2.

33. SAVING OF CONCLUDED TRANSACTIONS

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

34. PROPERTY IN TRUST

Notwithstanding anything contained in this Scheme, on or after Effective Date, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom pertaining to the Consumer Brands Business Undertaking are transferred, vested, recorded, effected and/ or perfected, in the records of any Appropriate Authority, regulatory bodies or otherwise, in favour of New RCPL, New RCPL is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authorities, RRVL, will continue to hold the property and/ or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom, in trust for and on behalf of New RCPL.

35. REDUCTION AND CANCELLATION OF THE ENTIRE PRE-SCHEME SHARE CAPITAL OF NEW RCPL

- 35.1 Upon allotment of the New RCPL New Equity Shares, the entire pre-scheme paid up share capital of New RCPL (“**New RCPL Cancelled Shares**”) shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of New RCPL, pursuant to Sections 230 to 232 of the Act as an integral part of the Scheme.
- 35.2 New RCPL shall debit its share capital account in its books of account with the aggregate face value of the New RCPL Cancelled Shares and credit capital reserve / securities premium for the same amount.
- 35.3 It is clarified that the approval of the members of New RCPL to this Scheme, shall be deemed to be their consent/ approval for the reduction of the share capital of New RCPL under applicable provisions of the Act.
- 35.4 Notwithstanding the reduction in the share capital of New RCPL, New RCPL shall not be required to add “And Reduced” as suffix to its name.

36. CHANGE OF NAME OF NEW RCPL

- 36.1 Upon Part IV of this Scheme becoming effective, the name of New RCPL shall stand changed to ‘**Reliance Consumer Products Limited**’ or such other name which is available and approved by the RoC, by simply filing the requisite forms with the Appropriate Authority and no separate consent, approval, act, procedure, instrument, or deed shall be required to be obtained or followed under the Act.
- 36.2 Consequently, subject to Clause 36.1 above, Clause I of the memorandum of association of New RCPL shall without any act, procedure, instrument or deed be and stand altered, modified and amended, to reflect the revised name of New RCPL, pursuant to Sections 13, 232 and other applicable provisions of the Act.
- 36.3 It is hereby clarified that, for the purposes of acts and events as mentioned in Clause 36.1 and 36.2, the consent of the shareholders of New RCPL to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13, Section 14 or any other applicable provisions of the Act, would be required to be separately passed.

PART V

GENERAL TERMS AND CONDITIONS

37. APPLICATIONS / PETITIONS TO THE TRIBUNAL

The Parties shall make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, for sanction of this Scheme under the provisions of the Act.

38. ORDER OF IMPLEMENTATION:

- 38.1 The entire Scheme shall be made effective simultaneously in the order as contemplated below:
- 38.1.1 Parts I, II, III and V of the Scheme shall be made effective; and
- 38.1.2 Parts I, IV and V of the Scheme shall be made effective immediately after effectiveness of the Parts stated in Clause 38.1.1 above.

39. MODIFICATION OR AMENDMENTS TO THIS SCHEME

- 39.1 The Board of the Parties acting jointly may make any modifications or amendments to this Scheme at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or appropriate. The Board of the Parties may consent to any conditions or limitations that the Tribunal or any other Appropriate Authority may impose.

39.2 For the purposes of giving effect to this Scheme, the Board of the Parties may give such directions including directions for settling any question or difficulty that may arise and such directions shall be binding as if the same were specifically incorporated in this Scheme.

40. WITHDRAWAL OF THIS SCHEME

40.1 The Board of the Parties, acting jointly, shall be at liberty to withdraw the Scheme, any time before the Scheme is effective.

40.2 In the event of withdrawal of the Scheme under Clause 40.1 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their respective shareholders or creditors or employees or any other Person.

41. COSTS AND EXPENSES

All costs, charges and expenses (including, but not limited to, any taxes and duties) in relation to or in connection with this Scheme and incidental to the completion of transactions contemplated under this Scheme shall be borne and paid by the respective Parties. All costs towards stamp duty and registration charges arising out of this Scheme shall be borne and paid by RRVL.