

January 06, 2025

To,

BSE Limited
New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street,
Fort Mumbai-400001

Scrip Code: 500097

National Stock Exchange of India Limited Symbol: DALMIASUG
“Exchange Plaza”, Plot No. C-1, Block G
Bandra – Kurla Complex, Bandra (East),
Mumbai – 400 051

Re. Disclosure pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

Sub.: Notice to the Equity Shareholders, Secured and Unsecured Creditors of Dalmia Bharat Sugar and Industries Limited (“Company”) as per the directions of the Hon'ble National Company Law Tribunal, Chennai Bench (“Hon’ble NCLT”)

Dear Sir/Madam,

Pursuant to the provisions of Regulation 30 read with clause 12, Para A of Part A of Schedule III of the SEBI Listing Regulations, this is to inform that in terms of the Hon’ble NCLT Order dated December 20, 2024 in the matter of Company Scheme Application No. CA(CAA)/50/CHE/2024, following meetings are scheduled to be held for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Arrangement between the Company and Dalmia Bharat Refractories Limited and their respective Shareholders (“Scheme”):

Sr. No	Meeting	Date of e-Meeting	Time	Commencement of remote e-voting	End of remote e-voting	Cut-off date for e-voting
1.	Equity Shareholders		10.00 a.m.	Wednesday, February 05, 2025 at 9.00 am	Friday, February 07, 2025	January 31, 2025

Dalmia Bharat Sugar and Industries Limited

4th Floor, Hansalaya Building, 15 Barakhamba Road, New Delhi – 110001, Delhi, India

T + 91 11 23465100 W www.dalmiasugar.com CIN: L15100TN1951PLC000640

Registered Office: Dalmiapuram, District Tiruchirapalli – 621651, Tamil Nadu, India

A **Dalmia Bharat Group** company, www.dalmiabharat.com

2	Secured Creditors	February 08, 2025	12.30 p.m.		at 5.00 pm	June 30, 2024
3.	Unsecured Creditors		3.30 p.m.			June 30, 2024

The Notice(s) of respective meetings have been sent on January 06, 2025 to the Equity Shareholders whose names appear in the register of members/list of beneficial owners maintained by the Depositories as on December 20, 2024 and to the Secured Creditors and Unsecured Creditors as on cut-off date, in terms of the NCLT Order. The Notice(s) have been sent through e-mail to the Equity Shareholders, Secured and Unsecured Creditors whose e-mail IDs are registered with the Company and through speed post to others.

The said Notice(s) of meetings are also available on the Company's website www.dalmiasugar.com, websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, and on the website of NSDL at www.evoting.nsdl.com.

The Company has provided the remote e-voting facility (prior to the Meeting) and e-voting/InstaPoll (during the Meeting) to all its Equity Shareholders, Secured Creditors and Unsecured Creditors and has engaged the services of National Securities Depository Limited ("NSDL") to provide the said e-voting facility.

We request you to take the above on record.

Thanking you,

Yours Faithfully,

For Dalmia Bharat Sugar and Industries Limited

Pankaj Rastogi
Whole Time Director and CEO
Encl.: As above

DALMIA BHARAT SUGAR AND INDUSTRIES LIMITED

CIN No.: L15100TN1951PLC000640

Regd. Office: Dalmiapuram, Dist. Tiruchirappalli, Tamil Nadu - 621651.

Phone No. 04329-235123

Website: www.dalmiasugar.com, E-mail: sec.corp@dalmiasugar.com

NOTICE OF MEETING OF THE SECURED CREDITORS OF DALMIA BHARAT SUGAR AND INDUSTRIES LIMITED CONVENED PURSUANT TO THE ORDER PRONOUNCED ON DECEMBER 20, 2024 BY THE CHENNAI BENCH OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL

MEETING:

Day	Saturday
Date	February 08, 2025
Time	12:30 P.M. IST
Mode of Meeting	Video Conferencing / Other Audio Video Means ('VC/OAVM') through National Securities Depository limited

REMOTE E-VOTING DETAILS:

Commencing on:	Wednesday, February 05, 2025 at 9 A.M. IST
Ending on:	Friday, February 07, 2025 at 5 P.M. IST

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Form CAA2

[Pursuant to Section 230(3) and Rule 6 of the Companies (Compromises, Arrangements & Amalgamations) Rules, 2016]

Before the National Company Law Tribunal Bench, Chennai

CA(CAA)/50/CHE/2024

In the matter of Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders

Dalmia Bharat Sugar and Industries Limited

**... the Applicant Company /
Demerged Company / Company / DBSIL**

NOTICE CONVENING THE MEETING OF SECURED CREDITORS OF DALMIA BHARAT SUGAR AND INDUSTRIES LIMITED PURSUANT TO THE ORDER PRONOUNCED ON DECEMBER 20, 2024 BY THE CHENNAI BENCH OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL

To,

The Secured Creditors of Dalmia Bharat Sugar and Industries Limited

TAKE NOTICE that by an order pronounced on December 20, 2024 in the above mentioned Company Scheme Application ('Order'), the Chennai Bench of the Hon'ble National Company Law Tribunal ('Tribunal'/ 'NCLT') has directed a meeting of the Secured Creditors of the Applicant Company to be held for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders pursuant to the provisions of Sections 230 to 232, and other applicable provisions of the Companies Act, 2013 ('Act') ('Scheme' or 'the Scheme' or 'this Scheme').

In pursuance of the said Order and the directions given therein, further notice is hereby given that a meeting of the Secured Creditors of the Applicant Company will be held on Saturday, the 8th day of February, 2025 at 12.30 P.M. **IST through Video Conferencing / Other Audio Visual Means ('VC / OAVM')** provided by National Securities Depository Limited (hereinafter referred to as the 'e-Meeting') in compliance with the applicable provisions of the Companies Act, 2013 read with all applicable MCA General Circulars and Securities and Exchange Board of India ('SEBI') Circulars and subject to the directions given in the Order to consider and if thought fit, approve with or without modification(s), the following resolution:

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ('Act') and the rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 issued by the Securities and Exchange Board of India ('SEBI Master Circular') and as amended from time to time, read with the observation letters dated July 30, 2024 and August 02, 2024 issued by BSE Limited and National Stock Exchange of India Limited, respectively, and subject to applicable provisions of the Memorandum and Articles of Association of the Company, sanctions and permissions of the National Company Law Tribunal ('Tribunal') and subject to the approval of the equity shareholders and unsecured creditors and such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary, and subject to such conditions and modifications as may be prescribed, imposed or approved by the Tribunal or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution), the Scheme of

Arrangement between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modification(s), amendment(s), limitation(s) and/or condition(s), if any, which may be required and/or imposed by the Hon'ble NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts, transfer/vesting of such assets and liabilities, as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper.”

The Secured Creditors may refer to the Notes to this Notice for the details of e-Meeting and remote e-voting. The voting rights of the Secured Creditors shall be in proportion to their outstanding dues in the Company as on closure of business hours on June 30, 2024 ('Cut-off Date'). As directed by the NCLT, the Applicant Company is convening an e- Meeting of its Secured Creditors wherein the facility of e-voting and remote e-voting is being provided. The scrutinizer will submit his report to the Chairman of the meeting after completion of the meeting.

Copies of the said Scheme, and of the statement under Sections 230 and 232 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with the enclosures as indicated in the Index to this notice, can be obtained free of charge on any working day (except Saturdays and Sundays) prior to the date of the meeting at the office of its Advocates, Mr. Pawan Jhabak having his office at New No.115, Luz Church Road, Mylapore, Chennai – 600004.

The NCLT has appointed Mr. BSV Prakash Kumar as the Chairman of the said meeting and Mr. Adith Narayan V as the Scrutinizer of the said meeting.

The above-mentioned Scheme, if approved by the Secured Creditors, will be subject to the subsequent approval of the NCLT and such other approvals as may be required.

Copy of the Scheme, copy of the explanatory statement under Section 230 – 232 of the Companies Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other enclosures as indicated in the index are enclosed.

Date: December 30, 2024
New Delhi

Sd/-
Aashma V Khanna
Company Secretary
Dalmia Bharat Sugar and Industries Limited

Registered Office
Dalmiapuram,
Dist. Tiruchirappalli, Tamil Nadu-621 651

Notes:

1. The Board of Directors of DBSIL and DBRL at their respective meetings held on February 02, 2024 had approved the Scheme of Arrangement between DBSIL and DRRL and their respective shareholders subject to the sanction of the NCLT and of such other authorities as may be necessary.
2. The Explanatory Statement pursuant to Sections 102, 230(3) and 232(2) of the Companies Act, 2013 ('Act') read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in respect of the business set out above is annexed hereto.
3. The Hon'ble Tribunal vide its Order, has issued directions to hold the meeting of Secured Creditors on Saturday, the 8th

day of February, 2025. Accordingly, the meeting of the Secured Creditors of the Company is being convened on Saturday, the 8th day of February, 2025, at 12.30 p.m. (IST), through VC, for the purpose of considering, and if thought fit, approving, the Scheme.

4. As directed by the Hon'ble Tribunal, the quorum for the meeting of the Secured Creditors of DBSIL shall be 7 (seven) Secured Creditors in number of the DBSIL, present in person / through authorized representative through video conference. In case there is no quorum at the designated time of the meeting, then the meeting shall be adjourned by half an hour, and thereafter, the persons present and voting shall be deemed to constitute the quorum.
5. The Notice is being sent to / published / displayed for all the Secured Creditors, whose names appear in the Chartered Accountant's certificate certifying the list of Secured Creditors of the Demerged Company as on June 30, 2024 as had been filed with the Tribunal in CA(CAA)/50/CHE/2024. The voting rights of Secured Creditors shall be in proportion to their outstanding dues in the Applicant Company as on the cut-off date of June 30, 2024.
6. DBSIL has appointed National Securities Depository Limited to provide VC facility for the e-Meeting.
7. Secured Creditors can attend the e-Meeting through log in credentials provided to them to connect to VC.
8. Since this meeting is being held through VC/OAVM, physical attendance of Secured Creditors has been dispensed with. Accordingly, the facility for appointment of proxies by the Secured Creditors will not be available for this meeting and hence, the Proxy Form, Route Map and Attendance Slip are not annexed to this notice.
9. Body corporates are entitled to appoint authorized representatives to attend the e-Meeting through VC and participate thereat and cast their votes through e-voting.
10. The Secured Creditors can join the e-Meeting 15 minutes before the scheduled time of the commencement of the e-Meeting and upto 15 minutes after the scheduled time to start the e-meeting by following the procedure mentioned in the Notice.
11. The attendance of the Secured Creditors attending the e-Meeting through log in will be counted for the purpose of reckoning the quorum specified by the NCLT.
12. Voting rights shall be reckoned on the basis of outstanding dues of the Secured Creditors as on the Cut-off Date i.e., June 30, 2024.
13. **Remote e-voting:** DBSIL is providing facility of remote e-voting to its Secured Creditors through e-voting agency namely 'National Securities Depository Limited. The Notice of remote e-voting indicating the detailed procedure and manner of remote e-voting is given below.
14. **Voting at the e-Meeting:** Those Secured Creditors, who will be present in the Meeting through VC facility and have not cast their vote on the resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the Meeting. Secured Creditors who have cast their votes through remote e-voting may attend the Meeting but shall not be entitled to cast their vote during the Meeting.
15. In compliance with the NCLT Order, the Notice, together with the documents accompanying the same, is being sent to all the Secured Creditors, electronically by e-mail to those Secured Creditors who have registered their e-mail ids with the Applicant Company. For Secured Creditors who have not registered their E-mail ids, physical copies are being sent by permitted mode in the NCLT Order. In case any Secured Creditors wishes to receive a copy of the notice they are requested to send an email to Sec.Corp@dalmiasugar.com / Khanna.aashima@dalmiasugar.com, and soft copy of this Notice will be provided to such Secured creditor.
16. In line with the Order the notice calling the e-Meeting has been uploaded on the website of the Company at www.dalmiasugar.com and is also available on the website of e-voting agency at <https://www.evoting.nsdl.com/>. The Notice can also be accessed from the websites of the Stock Exchanges, i.e., BSE Limited and National Stock Exchange of India

Limited at www.bseindia.com and www.nseindia.com respectively. The notice convening the Meeting will be published through an advertisement in the newspapers, Business Standard (All India Edition) and Makkal Kural (Tamil Nadu Edition).

17. The remote e-voting period commences on Wednesday, February 05, 2025 (9.00 a.m. IST) and ends on Friday, February 07, 2025 (5.00 p.m. IST). During this period, Secured Creditors of DBSIL, as on the cut-off date may cast their vote electronically. Once the vote on a resolution is cast by the Secured Creditors, the Secured creditor shall not be allowed to change it subsequently. The remote e-voting module shall be disabled by National Securities Depository Limited for voting thereafter.
18. The NCLT has appointed Mr. Adith Narayan V as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
19. In accordance with the provisions of Sections 230 – 232 of the Companies Act, 2013, the Scheme shall be acted upon only if a majority in number representing three-fourth in value of the Secured Creditors of the Applicant Company, voting in person or by authorised representative, agree to the Scheme.
20. The Scrutinizer shall submit his report to the Chairman of the Meeting after scrutinizing the voting done by the Secured Creditors. The Scrutinizer's decision on the validity of the votes cast shall be final.
21. The results shall be declared by the Scrutinizer within 3 (Three) days of conclusion of the e-Meeting by the Chairman of the meeting and the Resolution will be deemed to be passed on the e-Meeting date subject to the requisite number of votes in favour of the Resolution.
22. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.dalmiasugar.com and shall also be communicated to the Stock Exchanges where the Company's shares are listed as also displayed in the Notice Board at the Registered Office of the Applicant Company.
23. **THE INSTRUCTIONS FOR UNSECURED CREDITORS FOR REMOTE E-VOTING ARE AS UNDER:**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member / Creditor' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
4. Your Login id and password details for casting your vote electronically and for attending the Meeting of Unsecured Creditors through VC/ OAVM will be provided by NSDL as per the process decided by company.
5. For the first time the system will ask to reset your password.
6. Use your new password to login. Tick on Agree to "Terms and Conditions" by selecting on the check box.
7. Now, you will have to click on "Login" button.
8. After you click on the "Login" button, Home page of e-Voting will open.
9. You will be able to see the EVEN no. of Dalmia Bharat Sugar and Industries Limited.
10. Click on "EVEN" of Dalmia Bharat Sugar and Industries Limited to cast your vote.
11. Now you are ready for e-Voting on the Resolution(s) as the Voting page opens.
12. Cast your vote by selecting appropriate options i.e. assent or dissent, and click on "Submit" and also "Confirm" when prompted.
13. Upon confirmation, the message "Vote cast successfully" will be displayed.
14. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
15. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
16. Unsecured Creditors facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000

THE INSTRUCTIONS FOR UNSECURED CREDITORS FOR E-VOTING ON THE DAY OF THE MEETING ARE AS UNDER:

1. The procedure for e-Voting on the day of the Meeting is same as the instructions mentioned above for remote e-voting.

2. Only those Unsecured Creditors, who will be present in the Meeting through VC / OAVM facility and have not casted their vote on the Resolution(s) through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the Meeting

INSTRUCTIONS FOR UNSECURED CREDITORS FOR ATTENDING THE MEETING THROUGH VC/OAVM ARE AS UNDER:

Unsecured Creditors will be provided with a facility to attend the Meeting through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members/creditors login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members/creditors login where the EVEN of Company will be displayed.

Brief Instructions for the remote e voting are as under:

S. No.	PARTICULARS	DETAILS
1	Link for attending live webcast of the Meeting through Video Conferencing ('VC')	https://www.evoting.nsdl.com/
2	Link for e-voting [remote/at the Meeting]	https://www.evoting.nsdl.com/
3	Link to temporarily update e-mail address	https://www.evoting.nsdl.com/sec.corp@dalmiasugar.com / Khanna.aashima@dalmiasugar.com
4	Username and password for VC and e-voting	Please use the remote e-voting credentials.
5	Helpline number for VC and e-voting	https://eservices.nsdl.com/ and 022 - 4886 7000
6	Cut-off date	June 30, 2024
7	Corporate/Institutional Members to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc. together with attested specimen signature(s) of the authorised representative(s)	sec.corp@dalmiasugar.com and Khanna.aashima@dalmiasugar.com and adith@anvchambers.com (scrutinizers email id)
8	Remote e-voting period	Commences at 9 AM IST on Wednesday, February 05, 2025 ends at 5 PM IST on Friday, February 07, 2025
9	Last date for publishing results of the e-voting and results availability	February 11, 2025

Before the National Company Law Tribunal Bench, Chennai
CA(CAA)/50/CHE/2024

In the matter of Companies Act, 2013
And

In the matter of Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders

And

In the matter of Section 230 read with Section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013

Dalmia Bharat Sugar and Industries Limited

**... the Applicant Company /
Demerged Company / Company / DBSIL**

EXPLANATORY STATEMENT UNDER SECTION 230(3) READ WITH SECTIONS 232(2) AND 102 OF THE COMPANIES ACT, 2013 AND THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 FOR THE MEETING OF THE SECURED CREDITORS OF DALMIA BHARAT SUGAR AND INDUSTRIES LIMITED CONVENED PURSUANT TO THE ORDER PRONOUNCED ON DECEMBER 20, 2024 BY THE CHENNAI BENCH OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL

In this statement, Dalmia Bharat Sugar and Industries Limited is hereinafter referred to as 'DBSIL' or 'the Applicant Company' or 'the Company'. The other definitions contained in the Scheme will apply to this Explanatory Statement also. The following statement as required under Section 230(3) of the Companies Act, 2013 sets forth the details of the proposed Scheme and such other details as required under Sections 230-232 of the Companies Act, 2013 read with Section 102 of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. It further sets forth effects of the Scheme and, in particular any material interests of the Directors in their capacity as members.

1. Pursuant to the order pronounced on December 20, 2024 in the above mentioned Company Scheme Application No. CA(CAA)/50/CHE/2024 ('Order') passed by the Chennai Bench of the National Company Law Tribunal ('NCLT/Tribunal') referred to hereinabove and the directions given thereunder, a meeting of the Secured Creditors of the Applicant Company is being convened and held through **video conferencing ('VC') on Saturday, the 8th day of February, 2025 at 12.30 P.M. IST** for the purpose of considering and if thought fit, approving with or without modification(s), the proposed Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders ('the Scheme' or 'this Scheme' or 'Scheme').
2. A copy of the Scheme as approved by the Board of Directors of the Applicant Company at its meeting held on February 02, 2024 is attached to this explanatory statement and forms part of this statement.
3. In accordance with the provisions of Sections 230-232 of the Act, the Scheme shall be acted upon only if a majority in persons representing three fourths in value of the Secured Creditors, of the Applicant Company, casting their vote, as aforesaid, agree to the Scheme.
4. The Board of Directors of the Demerged Company and Resulting Company at their respective Board Meetings held on February 02, 2024, approved the proposed Scheme, after taking on record Valuation Report dated February 02, 2024 (including therein the basis of valuation) ('Valuation Report'), issued by Valecs Ecotech Pvt. Ltd, Registered Valuer and Fairness Opinion dated February 02, 2024 ('Fairness Opinion'), issued by M/s D & A Financial Services (P) Ltd, Merchant

Banker. M/s NSBP & Co. Chartered Accountants, Statutory Auditors of the Company, vide their Certificate dated February 02, 2024, confirmed that the accounting treatment prescribed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act. Based upon these reports, the Board of Directors of the respective companies have come to the conclusion that the Scheme is in the best interest of both the companies and their shareholders. The rationale and salient features of the Scheme are also mentioned in this Explanatory Statement.

5. Thereafter, upon application made by the respective Applicant Companies under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the stock exchanges i.e., BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE', and together with BSE, 'Stock Exchanges') in case of DBSIL, vide their observation letters dated July 30, 2024 and August 02, 2024 respectively ('Observation Letters') and Calcutta Stock Exchange ("CSE") and Metropolitan Stock Exchange of India Limited ("MSEI") in case of DBRL vide their observation letters dated August 13, 2024 and July 30, 2024, respectively conveyed their 'no objection' to the Scheme.
6. A copy of the revised Scheme is enclosed herewith as Annexure 1 and forms part of this Statement. The proposed Scheme is envisaged to be effective from the Appointed Date (as defined in the Scheme).
7. A copy of the said Valuation Report is enclosed herewith as Annexure 11 and forms part of this Statement.
8. A copy of the Fairness Opinion is enclosed herewith as Annexure 12 and forms part of this Statement.
9. The copies of the aforesaid Observation Letters from BSE and NSE in case of DBSIL, enclosed herewith as Annexure 13A, and CSE and MSEI in case of DBRL enclosed herewith as Annexures 13B, forms part of this Statement. Further, Complaints Reports dated March 22, 2024 and June 05, 2024, submitted by the Applicant Company to BSE and NSE are enclosed herewith as Annexures 14 and forms part of this Statement.
10. The additional information/documents if any submitted by the Applicant Company after filing the Scheme with the Stock Exchanges (and till the date of receipt of the aforesaid Observation Letters) is/are displayed on the website of the Company at: www.dalmiasugar.com.

11. BACKGROUND OF THE COMPANIES INVOLVED IN THE SCHEME IS AS UNDER:

A. DALMIA BHARAT SUGAR AND INDUSTRIES LIMITED ('DBSIL' or 'the Demerged Company' or 'the Applicant Company'.)

1. The Demerged Company was incorporated on 01st November 1951, under the provisions of Indian Companies Act, 1913, in the State of Tamil Nadu, under the name and style of "Dalmia Cement (Bharat) Limited". Thereafter, with effect from 07th September, 2010, the name of the Demerged Company was changed to "Dalmia Bharat Sugar and Industries Limited". Subsequent to the above date, there has been no change in the name of the Demerged Company.
2. PAN of the Demerged Company is AAACD2281K.
3. Demerged Company is a public limited company, and its equity shares are listed on BSE and NSE.
4. CIN: L15100TN1951PLC000640
5. The Registered Office of the Demerged Company is presently situated at Dalmiapuram, Dist. Tiruchirappalli, Tamil Nadu- 621651. There has been no change in the Registered Office of the Demerged Company in the last 5 years.
6. The email address of the Demerged Company is sec.corp@dalmiasugar.com.
7. The authorised, issued, subscribed and fully paid-up share capital of the Demerged Company as on September 30, 2024 is as under:

Particulars	Amount (Rs. in Crores)
Authorized Share Capital	
11,72,26,820 Ordinary equity shares of Rs. 2/- each	23.45
8,52,73,180 Unclassified equity shares of Rs 2/- each	17.05
Total	40.50
Issued, subscribed and paid-up Share Capital	
8,09,39,303 ordinary equity shares of Rs. 2/- each	16.19
Total	16.19

Subsequent to the above date, and as on the date of dispatch of this Notice, there has been no change in the authorized, issued, subscribed and fully paid up share capital of the Demerged Company.

8. The main objects of the Demerged Company are set out in the Memorandum of Association. They are briefly as under:

(A) The MAIN OBJECTS to be pursued by the Company on its incorporation are:-

- 1) To manufacture, produce, purchase, sell, trade, import, export, treat, boil, refine, prepare, brew and generally to deal with either as principal or agent either solely or in partnership with others in all varieties of sugar, sugar candy, jaggery, khandsari sugar, natural brown sugar, icing sugar, breakfast sugar, bura sugar, demerera, sugar beet, sugar cane, molasses, syrups, melada, alcohol, ethanol, spirits and all products and by-products thereof such as confectionery, biscuits, chocolates, aerated waters, glucose, honey, breakfast cereals, snacks, table top products, edible oils, bakery products, wheat and wheat products, spices, pulses, rice, ready to cook, heat and eat foods, frozen foods, beverages, pickles and chutneys, dehydrated fruits and vegetables, tinned fruits, dry fruits, candies, milk and milk products, bagasses, bagasse boards, paper, paper pulp, butyl alcohol, acetone, carbon-di-oxide, hydrogen, potash, cane wax, fertilizers, cattle feed and food products generally.*
- 2) To manufacture, produce, purchase, sell, trade, import, export and generally to deal in all types of sugar, sugarcanes and high starch agro products, agro based products, ethanol, alcohol, potable liquor, extra neutral alcohol, chemicals, distillers, oil refiners, dye makers, gas makers, electricity, carbon, hydrocarbons, liquid or gaseous petroleum and petroleum products, minerals and the products or the bye-products thereof or its feed stocks or which may be derived, produced, prepared, developed, compounded, made or manufactured there from and substances obtained by mixing any of the foregoing with other substances and any and all kinds, types, purposes, grades, forms and formulations of alcohol products including rectified spirit, sanitizer(s), disinfectants and to put to commercial use and otherwise deal in any manner in all or any of them and their allied products and materials.*
- 3) To carry on the business of generation, co-generation, captive consumption, sale, distribution of all forms of energy / power by installation of power plant or otherwise, from hydel, solar, wind farm, conventional and/or nonconventional sources, setting up of facilities for distribution of all forms of energy / power, to buy, sell energy / power from/to any person, Government of India, State Government(s), Municipal or local authority(ies), company or person(s) in India or elsewhere and to transfer power to units/plants of its own group or otherwise for captive use.*
- 4) To manufacture, produce, mine, purchase, sell, treat or otherwise deal with bricks, tiles, pipes, pottery, earthen-ware, sanitary-ware, china and terracotta, dolomite, graphite, refractories and ceramic-ware, fire clay, china clay, magnesite, quartzite and all other refractory materials, chemicals of all kinds including acids, alkalis and salts, manures, fertilizers, dyes, caustic soda, soda ash, sulphur, sulphuric acid, sulphates, sulphur pyrites, alums, dry ice, catechu, chlorine, colours, paints, varnishes, and other allied products.*

The objects necessary in furtherance of objects specified in III. (A)

- 1) *To carry on the business as travel agents, tour operators, clearing and forwarding agents and the business of booking and reserving accommodation, seats, compartments and berths on railways, ships, boats, aeroplanes, omnibuses, motor cars, motor buses and to issue tickets for the same and to hire or own taxies, motor cars and all kinds of public transport/vehicles launches and boats.*

9. The Demerged Company is mainly engaged in manufacturing of sugar, generation of power, manufacturing of industrial alcohol and refractory products and providing travel services. The Demerged Company has a refractory unit i.e. Dalmia Magnesite Corporation ('DMC Unit') which is engaged in the business of manufacturing of refractories. The Demerged Company also has a separate business unit named as Govan Travels ('GT Unit'), which is engaged in the business of providing tour and travel services.

B. DALMIA BHARAT REFRACTORIES LIMITED ('DBRL' or 'the Resulting Company')

1. The Resulting Company was incorporated on 04th October 2006, under the provisions of Indian Companies Act, 1956, in the State of Tamil Nadu, under the name and style of "Sri Dhandauthapani Mines and Minerals Limited". Thereafter, with effect from 27th December 2019, the name of the Resulting Company was changed to "Dalmia Bharat Refractories Limited". Subsequent to the above date, there has been no change in the name of the Resulting Company.
2. PAN of the Resulting Company is AAKCS3708G.
3. The Resulting Company is a public limited company, and its equity shares are listed on the Calcutta Stock Exchange Limited ('CSE') and Metropolitan Stock Exchange of India Limited ('MSE').
4. CIN: L26100TN2006PLC061254.
5. The Registered Office of the Resulting Company is presently situated at Dalmiapuram, Tiruchirappalli, Tamil Nadu- 621651. There has been no change in the registered office of the Resulting Company in the last 5 years.
6. The email address of the Resulting Company is snccil@dalmiarf.com.
7. The authorized, issued, subscribed and paid-up share capital of the Resulting Company as on September 30, 2024 is as under:

Particulars	Amount (Rs. in Crores)
Authorized Share Capital	
20,00,00,000 equity shares of Rs. 10/- each	200
10 redeemable preference shares of INR 10/- each	0.00001
Total	200.00001
Issued, subscribed and paid-up Share Capital	
4,42,00,107 equity shares of Rs. 10/- each	44.20
1 redeemable preference share of INR 10/- each	0.000001
Total	44.200001

Subsequent to the above date, and as on the date of dispatch of this Notice, there has been no change in the authorised, issued, subscribed and fully paid-up share capital of the Resulting Company.

8. The objects of the Resulting Company are set out in the Memorandum of Association. They are briefly as under:-

III. (A) The objects for which the Company is established.

- 1) *To carry on the business of produces, miners, manufacturers, research and development, producers, processors,*

importers, exporters, sellers, application service providers, dealers, agents, distributors, commission agents for, crush, win, quarry, raise, otherwise deal in cement, any kind of building material and refractory mineral and other products and by-products and substitutes, for all or any of them or any connected with building material, cement, refractory, to treat and utilize any waste arising out of it, to buy and assemble all kind of plant and machinery, tools, equipments in this regard and to carry on any other ancillary agreement in this regard.

- 2) To purchase or otherwise acquire or take on lease for exploration or dealing in or working of or for mining any land, mining undertaking, mines, quarries, wells, tanks, ponds, river, river bed, or sea and to carry on the business of mining operations and to explore, prospect, quarry, mine, dress, reduce, draw, extract, purify, calcite, smelt, refine, manufacture, otherwise acquire, sell or otherwise dispose of or deal in all quartzite, bauxite, fire clay and other mining material for which mine in relation to the mine lease and production of natural resources and materials derived from natural resources.*
- 3) To evaluate, acquire, invest or otherwise purchase all kinds of shares, properties, goods, stocks, moveable and immoveable property in and /or outside India by way of purchase, slump exchange, merger, demerger, reconstruction of business, under Insolvency and Bankruptcy Code 2016, whether through the approval of National Company Law Tribunal or otherwise, for the growth and expansion of the company.*
- 4) To carry on the business of makers, manufacturers, processors, producers, importers, exporters, buyers, sellers, dealers, stockists, distributors, suppliers, agents, merchants, fabricators, processors and concessionaires, within and outside India, of all kinds of rubber, tyres, tubes, flaps, tyre cord, vehicles, wheels, automobile parts and components, automobile accessories, automobile consultants and the compounds, substances, derivatives, substitutes and by-products of the aforesaid materials and to prepare, press, vulcanize, repair and retreat such of them as are considered expedient and to do any other activity ancillary to this.*
- 5) To carry on the business of spinners, weavers and manufacturers, sellers, traders within India and outside India, of all kind of textiles including but not limited to cotton, wool, silk, flax, hemp, rayon, nylon and other fibrous materials and man-made fibres and to transact all manufacturing, curing, preparing, dyeing, colouring and bleaching processes and to purchase and trend the raw materials and manufactured articles, to and to do any other activity ancillary to this.*
- 6) To carry on the business of Manufacturers, seller, and dealers, within India and outside India, in Iron, Steel, Aluminium, Brass, Copper and Copper alloy, bimetal, Lead, Silver and all other ferrous and non-ferrous metal metals, steels, bimetal products, copper and copper alloys, alloy steels special and stainless steels, shaftings, bars squares from scrap, sponge iron, prerduced pillars billets including manufacturing, processing and fabricating of pipes, utensil wires nails wire ropes, wire products screws expanded metal hinges, plates hoops angles pipes, seamless or otherwise, tubes, sheets, rods, squares, stripes, plates, coils, condensers, seals wires, ingots, circles and other manufactures, by products and parts in all their respective branches and to do any other activity ancillary to this.*
- 7) To carry on the business as owners, investors, promoters, repairs and renovations, dealers, agents, developers and brokers of real estate, land, buildings, estates, hereditaments, factories, roads, highways, bridges, canals, dams, ports, reservoirs, or any other structural or architectural work of any kind whatsoever; whether rural or urban, residential, commercial or industrial, for which purpose to acquire or purchase, take on lease or in exchange, hire or by any other means obtain ownership of and/or options or licence over any freehold or other property of any tenure, estate or interest, or any rights, privileges or easements over or in respect of any property, land or building and to do any other ancillary activity in this regard.*

- 8) *To carry on the business of purchasing, selling, distributing, trading, acting as an agent, franchising, collaborating exporting, importing, merchandising, manufacturing, designing, packaging and dealing with all kinds of products, goods, commodities, merchandise, accessories and equipment's relating to, on the Company's online portals or websites as well as through ecommerce, m-commerce, internet, intranet, stores, stalls, or kiosks set up across India or abroad or in any other manner.*
 - 9) *To carry on the business as travel agents, tour operators, clearing and forwarding agents, and the business of booking and reserving accommodation, seats in any mode of transport, whether for India or outside India, to hire and lease taxis and to all activities ancillary for this activity.*
 - 10) *To carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing, in any manner whatsoever, in all goods, which are required and support the above objects, on retail as well as wholesale in India.*
 - 11) *To carry on the business, within India and across the world, of providing advisory and management services of all kind and in all fields and matters or to act as a service provider or organization or bureau for providing advisory services including but not limited to assisting in decision making, commencement or expansion of any business or industry, project counselling, compiling, analysing, marketing, advertising, distribution & sales and including services in the field of general, administrative, business management, consultancy, secretarial, commercial, financial, legal, scientific, economic, labour-recruitment and personnel management, human resource development, industrial public relations, direct and indirect taxation, statistical, accountancy & cost accounting, quality control and data processing, to recruit people, resources for all types of posts, positions in all types of industries or offices including providing manpower for any or all positions that may be required, other technical or non-technical services, or procurement of materials, machinery or any other items or things required by anybody, corporate, authority, firm, society, trusts or association of persons.*
9. The Resulting Company is mainly engaged in the business of trading and manufacturing of refractories & allied products, mining, manufacturing and trading of tyres & allied products, and providing managerial services related to travel and other business along with making opportunistic and strategic investments.

12. BACKGROUND OF THE SCHEME

The Scheme provides for demerger of DMC Unit and GT Unit ('Demerged Undertakings') (being non-core businesses of DBSIL) from DBSIL and transfer and vesting of the same to DBRL and various other matters consequential or otherwise integrally connected therewith, with effect from the Appointed Date or such other date as may be approved by the NCLT or any other competent authority, in accordance with the terms of the Scheme.

13. RATIONALE OF THE SCHEME

- A. The Scheme provides for demerger of DMC Unit and GT Unit (being non-core businesses of DBSIL) from DBSIL and transfer and vesting of the same to DBRL which will yield beneficial results and enhanced value creation for their respective shareholders and better security and protection for their lenders and employees.
- B. The management of DBSIL is of the view that segregation of the DMC Unit and GT Unit from DBSIL will lead to the following benefits:
 - Segregation of non-core businesses from sugar business;
 - Efficient and focused management individually on DMC Unit, GT Unit, and sugar business; and

- Increased flexibility for value extraction and fund raise.
- C. The management of DBRL is of the view that acquisition of the DMC Unit and GT Unit will lead to the following benefits:
- Focus on the refractory operations carried out by the DMC Unit by demerging it from DBSIL for whom this is currently a non-core business.
 - Focus on the business as travel agents, tour operators, clearing and forwarding agents and to do all activities ancillary to these activities which are related to GT Unit; and
- D. This Scheme shall be in the beneficial interest of all the stakeholders and the shareholders of the Demerged Company and the Resulting Company. In these circumstances, it is considered desirable and expedient to demerge DMC Unit and GT Unit from the Demerged Company to the Resulting Company in the manner and on the terms and conditions stated in this Scheme.

14. SALIENT FEATURES OF THE SCHEME

Salient features of the Scheme are set out as below:

- a) This Scheme is presented under section 230-232 and other applicable provisions of the Companies Act, 2013 (as defined hereinafter) for demerger of DBSIL into DBRL.
- b) DBSIL and DBRL shall file application(s) and/or petition(s) under Section 230 read with Section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 with the Chennai Bench of the NCLT for sanction of this Scheme and all matters ancillary or incidental thereto.
- c) "Appointed Date" shall mean July 1, 2023 or such other date as may be agreed by the Board of the Demerged Company and Resulting Company or as the Hon'ble NCLT may decide/approve, being the date with effect from which this Scheme shall become effective and/or be deemed to have become effective.
- d) "Effective Date" shall mean the last of the dates on which all the conditions and matters referred to in Clause 23 of this Scheme have been fulfilled or are waived by the Board of both Demerged Company and Resulting Company. Any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" or "coming into effect of this Scheme" shall mean the "Effective Date".
- e) Consideration to be discharged pursuant to the Scheme:
 - a. Upon the Scheme becoming effective and in consideration of and subject to the provisions of the Scheme, the Resulting Company shall without any application or deed, issue and allot New Equity Shares of face value of INR 10/- each, credited as fully paid up, to the extent indicated below, to the equity shareholders holding fully paid up equity shares of the Demerged Company and whose name appear in the register of members / register of beneficial owners of the Demerged Company as maintained by the registrar and transfer agent and/or depositories, as the case may be, as on the Record Date or to their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Demerged Company in the following proportion, subject to Clause 11.4, Clause 11.5 and Clause 11.6 of the Scheme:

"1 fully paid-up equity share of face value of INR 10 each of the Resulting Company shall be issued and allotted for every 48.18 fully paid up equity share of face value INR 2 each held by equity shareholders of the Demerged Company."

Upon this Scheme becoming effective, the Company Secretary or any other authorized personnel of the Demerged Company shall, on the Record Date, provide to Resulting Company, a list containing particulars of

equity shareholders of the Demerged Company as on the Record Date, along with their respective entitlement to the fully paid-up equity shares of the Resulting Company, pursuant to this Scheme.

- b. The share exchange ratio has been arrived at on basis of the valuation report of Valecs Ecotech Pvt. Ltd. (Firm Registration Number IBBI/RV-E/02/2022/178). M/s D & A Financial Services (P) Ltd., SEBI registered Category I merchant banker having license no. INM000011484, has provided a fairness report on the fairness of the share exchange ratio determined for the demerger of the Demerged Undertakings of Demerged Company into the Resulting Company. Based on the recommendations of the audit committee of the Demerged Company and the Resulting Company, the valuation report and fairness report as aforesaid have been duly approved by the Board of each of the Demerged Company and the Resulting Company.
- c. The fractional entitlements, if any, shall be consolidated and the aggregate of such fractions shall be issued and allotted directly to and held by a trustee nominated by the Board of Resulting Company in that behalf, who shall sell such shares in the market at a market price or at a price as prescribed under regulation 165 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or as amended whichever is applicable. Such sale to be concluded within 90 days, in compliance with Applicable Law, from the date of allotment of shares, as per the Scheme and on such sale, shall pay to the Resulting Company, the net sale proceeds (after deduction of applicable taxes and other expenses incurred), whereupon the Resulting Company shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of Demerged Company in proportion to their respective fractional entitlements so sold by the trustee. In the event that the trustee is unable to sell such shares in the market as aforesaid, these may be sold through off market transactions at such price and on such time or times as the trustee may in its sole discretion decide, from the date of allotment of shares, as per the Scheme and on such sale, shall pay to the Resulting Company, the net sale proceeds (after deduction of applicable taxes and other expenses incurred), whereupon the Resulting Company shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of Demerged Company in proportion to their respective fractional entitlements so sold by the trustee.
- d. The New Equity Shares to be issued to the shareholders of the Demerged Company as above shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Resulting Company. Further, the New Equity Shares issued shall rank pari passu with the existing equity shares of the Resulting Company in all respects including dividends, if any that may be declared by the Resulting Company on or after the Scheme becoming effective, as the case may be.
- e. The issue and allotment of the New Equity Shares to the shareholders of the Demerged Company as provided in Clause 11 of this Scheme, is an integral part of the Scheme, and shall be deemed to be carried out without requiring any further act on the part of the Resulting Company or its shareholders as if the procedure laid down under Sections 42, 62 of the Act and any other applicable provisions of the Act or any other Applicable Laws, were duly complied with.
- f. With respect to any foreign shareholders of the Demerged Company, the Resulting Company shall comply with the Applicable Laws including RBI guidelines, SEBI regulations, directions and instructions of the Stock Exchanges and applicable provisions of Foreign Exchange Management Act 1999, including the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, to enable it to issue New Equity Shares pursuant to this Scheme.
- g. The New Equity Shares to be issued and allotted by the Resulting Company to the shareholders of the Demerged Company shall be issued in dematerialized form. All the shareholders who hold shares of the Demerged Company in physical form shall also have the option to receive the equity shares, as the case may be, in dematerialized

form provided the details of their account with the depository participant are intimated in writing to the Demerged Company and/or its registrar and transfer agent on or before the Record Date. The shareholders who fail to provide such details shall be issued equity shares in physical form. Notwithstanding the above, if as per Applicable Laws, the Resulting Company is not permitted to issue and allot the New Equity Shares in physical form and it has still not received the demat account details of such shareholders of the Demerged Company, the Resulting Company shall issue and allot such shares in lieu of the New Equity Share entitlement of such shareholders, into a Suspense escrow demat account, which shall be operated by one of the directors or any such employee of the Resulting Company duly authorized by the Board in this regard, who shall upon receipt of appropriate evidence from such shareholders regarding their entitlements, transfer from such Suspense escrow demat account into the individual demat account of such claimant shareholders, such number of shares as they may be entitled in terms of this Scheme. Further, the New Equity Shares to be issued in respect of the shares of the Demerged Company held in a Suspense escrow demat account, if any, shall also be issued into the Suspense escrow demat account created for the shareholders of the Demerged Company.

- h. In the event that the Parties restructure their share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the share exchange ratio per Clause 11.1 shall be adjusted accordingly to take into account the effect of any such corporate actions.
 - i. It is hereby clarified that for the purposes of increasing the authorized share capital of Resulting Company to issue the New Equity Shares, the consent of the shareholders of the Resulting Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and no further resolution under Sections 13, 61, 64 of the Act and other applicable provisions of the Act would be required to be separately passed.
 - j. The New Equity Shares to be issued by the Resulting Company pursuant to Clause 11 in respect of such of the equity shares of the Demerged Company 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 Governmental Authority or otherwise, also be kept in abeyance by the Resulting Company.
 - k. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of the Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in the Demerged Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the share in the Resulting Company and in relation to the shares issued by the Resulting Company after the effectiveness of the Scheme. The Board or any committee thereof or authorized personnel of the Demerged Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Resulting Company on account of difficulties faced in the transition period.
 - l. The New Equity Shares to be issued by the Resulting Company pursuant to this Scheme in respect of any equity shares of the Demerged Company 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 a court or otherwise, be held in abeyance by the Resulting Company.
 - m. The Board or any committee thereof or authorized personnel of the Resulting Company shall be empowered to remove any difficulties as may arise in the course of implementation of this Scheme or in relation to the issue of New Equity Shares and registration of new members in the Resulting Company after this Scheme becomes effective.
- f) Accounting treatment

The Demerged Company and the Resulting Company shall account for the Scheme in their respective books/financial statements in accordance with applicable Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, and generally accepted accounting principles in India as amended from time to time including as provided herein below:

Accounting treatment in the books of the Demerged Company:

- a) Upon coming into effect of this Scheme and with effect from the Appointed Date, the Demerged Company shall derecognize the carrying value of assets and liabilities pertaining to the Demerged Undertakings, transferred to and vested in the Resulting Company from the carrying value of assets and liabilities as appearing in its books.
- b) Loans and advances, receivables, payables and other dues outstanding between the Demerged Company and the Resulting Company relating to the Demerged Undertakings will stand cancelled and there shall be no further obligation / outstanding in that behalf.
- c) The excess/deficit if any, of the net assets transferred to the Resulting Company pursuant to Clause 15.2.1 and effect to elimination of balances as mentioned in Clause 15.2.2, shall be adjusted with the Retained Earnings of the Demerged Company.

Accounting treatment in the books of the Resulting Company:

- a) The Resulting Company shall record the assets and liabilities pertaining to the Demerged Undertakings, transferred to and vested in it at their respective fair market value as on the Appointed Date.
 - b) Loans and advances, receivables, payables and other dues outstanding between the Demerged Company and the Resulting Company relating to the Demerged Undertakings will stand cancelled and there shall be no further obligation / outstanding in that behalf.
 - c) The Resulting Company shall credit to its share capital in its books of accounts the aggregate face value of New Equity Shares issued by it to the shareholders of the Demerged Company pursuant to Clause 11 of this Scheme. Resulting Company shall credit to its Securities Premium Account, the aggregate premium on New Equity Shares issued by it pursuant to Clause 11 of this Scheme. Securities Premium so created will be treated at par with any other Securities Premium existing in the books of the Transferee Company prior to this Scheme.
 - d) In case of any difference in accounting policy between the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company shall prevail.
 - e) The excess/deficit if any, of the net assets transferred to the Resulting Company pursuant to Clause 15.3.1 after giving effect to Clause 15.3.2, Clause 15.3.3 and 15.3.4, shall be adjusted in Goodwill/Capital Reserve of the Resulting Company.
- g) Costs, charges and expenses

Unless otherwise agreed between the Parties, each company (i.e. the Demerged Company and Resulting Company) shall bear its own past, present and future costs, charges, taxes including duties, levies and all other expenses incurred or to be incurred in carrying out and implementing this Scheme or implementation thereof and matters incidental thereto.

- h) The Scheme is conditional upon and subject to the following:

Unless otherwise decided (or waived) by the relevant Parties, this Scheme is conditional upon and subject to the following:

- a) Obtaining no-objection from the Stock Exchange(s) in relation to the Scheme under Regulation 37 of the Securities

and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (as amended from time to time);

- b) The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective shareholders and/or creditors, if required, of the Parties, as may be directed by the NCLT or any other Governmental Authority as may be applicable;
- c) The Demerged Company and Resulting Company complying with other provisions of the SEBI Circular, including seeking approval of its shareholders through e-voting. The Scheme shall be acted upon only if the number of votes cast by public shareholders in favour of the proposal are more than the number of votes cast by public shareholders against it, in accordance with the SEBI Circular, subject to modification, if any, in accordance with any subsequent circulars and amendments that may be issued by SEBI from time to time. The term "public" shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957;
- d) The Scheme being sanctioned by the Chennai Bench of Hon'ble NCLT or any other authority under Sections 230-232 of the Act;
- e) Obtaining the mandatory approval of the relevant Governmental Authority, as may be required.
- f) Obtaining a certified copy of the Order of the Chennai Bench of the Hon'ble NCLT sanctioning the Scheme and filing the same with the Registrar of Companies, Chennai, by Demerged Company and Resulting Company; and
- g) Any other matters expressly agreed as conditions precedent to the effectiveness of the Scheme as amongst the Parties in writing.

Notwithstanding anything contained in sub clause 23.1 to sub clause 23.6 above, the Board of the Demerged Company and Resulting Company, in their discretion, may mutually decide to waive any of the conditions mentioned above, to the extent legally permissible.

The features set out above are only the salient features of the Scheme. The Scheme shall be treated as a part and parcel of this Explanatory Statement. The equity shareholders and Secured Creditors are requested to read the entire text of the Scheme to get themselves fully acquainted with the provisions thereof.

15. CAPITAL STRUCTURE PRE AND POST SCHEME

Pre-Scheme and Post-Scheme capital structure of the companies involved in the Scheme is given below:

DBSIL:

The pre-Scheme capital structure of DBSIL is as under as on September 30, 2024:

Particulars	Amount (Rs. in Crores)
Authorized Share Capital	
11,72,26,820 Ordinary Equity Shares of Rs. 2/- each	23.45
8,52,73,180 Unclassified Equity Shares of Rs. 2/- each	17.05
Total	40.50
Issued, Subscribed and Fully Paid-up Share Capital	
8,09,39,303 Ordinary Equity Shares of Rs. 2/- each	16.19
Total	16.19

Post-Scheme, there will be no change in the capital structure of the Demerged Company.

DBRL:

The pre-Scheme capital structure of DBRL is as under as on September 30, 2024:

Particulars	Amount (Rs. in Crores)
Authorized Share Capital	
20,00,00,000 equity shares of Rs. 10/- each	200
10 redeemable preference shares of INR 10/- each	0.00001
Total	200.00001
Issued, subscribed and paid-up Share Capital	
4,42,00,107 equity shares of Rs. 10/- each	44.20
1 redeemable preference share of INR 10/- each	0.000001
Total	44.200001

The post-scheme capital structure of DBRL is as under (after considering shareholding pattern as on September 30, 2024):

Particulars	Amount (Rs. in Crores)
Authorized Share Capital	
20,00,00,000 equity shares of Rs. 10/- each	200
10 redeemable preference shares of INR 10/- each	0.00001
Total	200.00001
Issued, subscribed and paid-up Share Capital	
4,58,80,044 equity shares of Rs. 10/- each	45.88
1 redeemable preference share of INR 10/- each	0.000001
Total	45.880001

16. SHAREHOLDING PATTERN PRE AND POST SCHEME

The pre scheme and post Scheme shareholding pattern of DBSIL and DBRL as filed with the Stock Exchanges, is attached as Annexure 5.

17. EXTENT OF SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

- i. Save as otherwise provided in the Scheme, the Directors and Key Managerial Personnel (KMP) and their respective relatives may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding in their respective Companies, or to the extent the said Directors / KMP are the partners, Directors, Members of the Companies, firms, association of persons, bodies corporate that hold shares in any of the Companies. Save as aforesaid, none of the Directors, Managing Director or the Manager or KMP of DBSIL have any material interest in the Scheme.
- ii. The details of the present Directors of DBSIL and their respective shareholdings in DBSIL and DBRL as on the date of this statement are as follows:

Sr. No	Name	Designation	Address	Equity shares held in DBSIL	Equity shares held in DBRL
1.	Mr. Rajeev Bakshi (DIN: 00044621)	Chairman and Independent Director	House No. C-30 2 nd Floor Westend Colony, Tularam Marg, South West Delhi, Delhi-110021	NIL	NIL
2.	Mr. Gautam Dalmia (DIN: 00009758)	Managing Director	No. 1, Tees January Marg, New Delhi - 110001	1,51,990	NIL
3.	Mrs. Amita Misra (DIN: 0794122)	Independent Director	Flat 209, Tower 5 Augusta, Jaypee Wishtown Sector 128, NOIDA 201304	NIL	NIL
4.	Mr. Neeraj Chandra (DIN 00444694)	Independent Director	B 804, Nitesh Central Park, Bagalur Road, 1st Main, Vinayak Nagar, Bangalore – 560063, Karnataka	NIL	NIL
5.	Mr. Venkatesan Thyagarajan (DIN: 00124050)	Non-Executive Director	“Rajendra”, 4 th Floor, No. 1, 2 nd Street, Prithvi Avenue, Abhiramapuram, Chennai – 600018	12,790	NIL
6.	Mr. Bharat Bhushan Mehta (DIN: 00006890)	Non - Executive Director	A-213, DLF Crest DLF City, Phase-5 Golf Course Road, Sector 53-54 Gurgaon, Haryana- 1122011	NIL	NIL
7.	Mr. Pankaj Rastogi (DIN 10452835)	Whole Time Director and CEO	94-C, Platinum Enclave, Pocket – I, Sector – 18, Rohini - 110089	NIL	NIL
8.	Mr. Piyush Gupta	Chief Financial Officer	6002 Santorini Sobha city road, Devin Paradise Enclave Nakk, Nagenahalli, Bengaluru - 560077	100	NIL

9.	Ms. Aashima V Khanna	Company Secretary	Khanna House, 2 Maka Ganj, Delhi – 110007	Nil	Nil
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iii. The details of the present Directors and KMPs of DBRL and their respective shareholdings in DBRL and DBSIL as follows:

Sr. No	Name	Designation	Address	Equity shares held in DBRL	Equity shares held in DBSIL
1.	Mr. Deepak Thombre	Chairman and Independent Director	Titanium Park, Building A, Flat No. 604, Park Street, Wakad, Pune -57	NIL	NIL
2.	Mr. Raj Kamal Saraogi	Independent Director	N-17 A, 1 st Floor Green Park Extension, Delhi- 110016	NIL	NIL
3.	Dr. Chandra Narain Maheshwari	Whole Time Director & CEO	A-55, Sushant Lok- 3 , Florence Super, Sector-57, Gurgaon, Haryana- 122011	695	NIL
4.	Ms. Rachna Gorla	Non-Executive Director	House No. B-81, Sector-23, Gautam Buddha Nagar, Noida, Uttar Pradesh- 201301	NIL	NIL
5.	Mr. Prakash Dalmia	Executive Director	Gouranga Palace, 89/13 1st Lane, Bangur Park, Near Shiv Mandir, Rishra, West Bengal-712248	NIL	NIL
6.	Mr. Rahul Sahni	Chief Financial Officer	107/5, Garh Road, Kalyan Nagar, Gandhi Ashram, Meerut, Uttar Pradesh- 250002	NIL	NIL
7.	Ms. Soumya Sharma	Company Secretary	B-3/433, Paschim Vihar, New Delhi- 110063	NIL	NIL

18. RELATIONSHIP BETWEEN THE COMPANIES INVOLVED IN THE SCHEME

Both the companies are part of the Dalmia Bharat group.

19. DETAILS OF DEBT RESTRUCTURING

There shall be no debt restructuring of DBSIL and DBRL pursuant to the Scheme.

20. GENERAL

- i. DBSIL and DBRL have filed a joint application before the Chennai Bench of the NCLT seeking requisite directions in connection with the Scheme under Section 230 – Section 232 of the Companies Act, 2013.
- ii. The amount due to the secured creditors by DBSIL as on June 30, 2024 is INR 847 crs.
- iii. The amount due to the unsecured creditors by DBSIL as on June 30, 2024 is INR 77 crs.
- iv. In relation to the meeting of the Secured Creditors of DBSIL, Secured Creditors whose names are appearing in the records of DBSIL as on Cut off date, i.e., June 30, 2024 shall be eligible to attend and vote at the meeting of the Secured Creditors of DBSIL convened at the direction of the NCLT.
- v. Details of assets, liabilities, net worth and revenue of the companies involved, pre and post the Scheme is attached as Annexure 6.
- vi. Impact of Scheme on revenue generating capacity of Demerged Company is attached as Annexure 7
- vii. Need and rationale of the scheme, synergies of business of the companies involved in the scheme, impact of the scheme on the shareholders and cost benefit analysis of the scheme – Refer report of the Audit Committee dated February 02, 2024.
- viii. Value of assets and liabilities of Demerged Company that are being transferred to the Resulting Company is attached herewith as Annexure 10.
- ix. All the applicable additional information, if any, which was submitted by the Applicant Company to BSE and NSE as per Annexure M of Stock Exchange checklist is attached as Annexure 8.
- x. None of the directors are common between both the Companies.
- xi. The Scheme is not expected to have any adverse effects on the KMP, directors, promoters, non-promoter members, depositors, secured / unsecured creditors, debenture holders, deposit trustee, debenture trustee, and employees of DBSIL and DBRL wherever relevant.
- xii. None of Directors and KMP of DBSIL and DBRL or their respective relatives are in any way connected or interested in the aforesaid resolution except to the extent of their shareholding in respective Companies.
- xiii. There are no winding up proceedings pending against DBSIL and DBRL as of date.
- xiv. Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the Applicant Company in relation to its Demerged Undertakings, its promoters and directors, are enclosed herewith as Annexure 14 and forms part of this Statement.
- xv. No investigation proceedings have been instituted or are pending in relation to the Demerged Company and the Resulting Company under Sections 210 to 229 of Chapter XIV of the Act or under the corresponding provisions of the Companies Act, 1956. Further, no proceedings are pending under the Act or under the corresponding provisions of the Companies Act, 1956 against any of the aforementioned Companies.
- xvi. A copy of the Scheme has been filed with Registrar of Companies, Chennai by DBSIL on December 25, 2024.

- xvii. A copy of the Scheme has been uploaded on the website of BSE Limited and National Stock Exchange of India Limited.
- xviii. DBSIL and DBRL are required to send individual notice(s) to certain regulatory and governmental authorities including Ministry of Corporate Affairs, the Registrar of Companies, Regional Director, Income Tax, SEBI, BSE Limited and National Stock Exchange of India Limited, CSE and MSE and the same are being sent.
- xix. Details of Promoters and Directors of DBSIL as on September 30, 2024 are as under:

Sr. No	Name of Promoter	Address	
1.	Shri Yadu Hari Dalmia	7F-7H, 7th Floor, Hansalaya Building, 15 Barakhamba Road, New Delhi -110001	
Sr. No	Name of Director	Designation	Address
1.	Shri Rajeev Bakshi	Non-Executive Independent Director	722, Camellias, Golf Links, Gurugram - 122009
2.	Shri Gautam Dalmia	Managing Director	No. 1, Tees January Marg, New Delhi - 110011
3.	Smt. Amita Misra	Non-Executive Independent Director	Flat 209, Tower 5 Augusta, Jaypee Wishtown Sector 128, NOIDA 201304
4.	Shri Neeraj Chandra	Non-Executive Independent Director	B 804, Nitesh Central Park, Bagalur Road, 1st Main, Vinayak Nagar, Bangalore – 560063, Karnataka
5.	Shri Thyagarajan Venkatesan	Non-Executive Non - Independent Director	'Rajendra', No. 1, 2nd Street, 4th Floor, Prithvi Avenue, Abiramapuram, Chennai-600018
6.	Shri Bharat Bhushan Mehta	Non-Executive Non - Independent Director	Tower A 213, DLF the Crest, Golf Course Road, DLF Phase 5, Sector 54, Gurgaon – 122 001
7.	Shri Pankaj Rastogi	Whole-time Director and CEO	94-C, Platinum Enclave, Pocket – I, Sector – 18, Rohini - 110089

- xx. Details of Promoters and Directors of DBRL as on September 30, 2024, are as under:

Sr. No	Name of Promoter	Address	
1.	Shri Yadu Hari Dalmia	7F-7H, 7th Floor, Hansalaya Building, 15 Barakhamba Road, New Delhi - 110001	
Sr. No	Name of Director	Designation	Address
1.	Mr. Deepak Thombre	Chairman and Independent Director	Titanium Park, Building A, Flat No. 604, Park Street, Wakad, Pune -57

2.	Mr. Raj Kamal Saraogi	Independent Director	N-17 A, 1 st Floor Green Park Extension, Delhi- 110016
3.	Dr. Chandra Narain Maheshwari	Whole Time Director & CEO	A-55, Sushant Lok- 3, Florence Super, Sector-57, Gurgaon, Haryana- 122011
4.	Ms. Rachna Gorla	Non- Executive Director	House No. B-81, Sector-23, Gautam Buddha Nagar, Noida, Uttar Pradesh- 201301
5.	Mr. Prakash Dalmia	Executive Director	Gouranga Palace, 89/13 1st Lane, Bangur Park, Near Shiv Mandir, Rishra, West Bengal-712248

- xxi. The Board of Directors of DBSIL unanimously approved the Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders at its meeting held on February 02, 2024.
- xxii. The Board of Directors of DBRL unanimously approved the Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders at its meeting held on February 02, 2024. All the Directors of DBRL voted in favour of the Scheme, except Mr. Sameer Nagpal, who could not attend and participate in the meeting.
- xxiii. Report dated February 02, 2024, adopted by the Board of Directors of DBSIL and DBRL explaining the effects of the Scheme on each class of its respective shareholders, key managerial persons, promoter and non- promoter shareholder, laying out in particular the share exchange ratio, as required under Section 232(2) of the Companies Act, 2013 is attached herewith as Annexure 4.
- xxiv. Unaudited limited reviewed financial results of DBSIL and DBRIL for the period ended as on September 30, 2024, are attached herewith as Annexure 3.
- xxv. All the documents referred to in the accompanying Notice of the Meeting and the Explanatory Statement shall be available for inspection by the members of the Company electronically during the meeting.
- Copy of the Order pronounced on December 20, 2024 passed by the NCLT in the Company Scheme Application No. CA(CAA)/50/CHE/2024 directing the convening of the meeting of the Secured Creditors of DBSIL;
 - Copy of Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders;
 - Copy of Memorandum and Articles of Association of DBSIL and DBRL;
 - Copy of the Audited Financial Statements of DBSIL and DBRL for financial year ended on March 31, 2024;
 - Copy of the Unaudited limited reviewed financial results / financial statements of DBSIL and DBRIL for the period ended/as on September 30, 2024;
 - Copies of the resolutions passed by the Board of Directors of DBSIL and DBRL approving the Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders;
 - Report adopted by the Board of Directors of DBSIL and DBRL pursuant to provisions of section 232(2)(c) of the Companies Act, 2013;
 - Reports of the Audit Committee and the Independent Directors Committee of the Demerged Company dated February 02, 2024, recommending the Scheme;
 - Share Entitlement Ratio Report dated February 02, 2024, issued by Valecs Ecotech Private Limited

- j. Fairness Opinion dated February 02, 2024, issued by Messrs D&A Financial Services (P) Ltd
 - k. Details of indicative list of assets and liabilities of Demerged Undertaking and DBRL
 - l. Observation Letters from BSE Limited ('BSE') dated July 30, 2024, and National Stock Exchange of India Limited ('NSE') dated August 02, 2024 in case of DBSIL and Calcutta Stock Exchange ("CSE") dated August 13, 2024 and Metropolitan Stock Exchange of India Limited ("MSEI") dated July 30, 2024 in case of DBRL conveying no objection to the Scheme
 - m. Reports on Complaints dated March 22 2024 and June 5 2024, submitted by the Company to BSE and NSE
 - n. Copy of the Certificate dated February 02, 2024, issued by Statutory Auditors, NSBP & Co., Chartered Accountants of DBSIL stating that the accounting treatment proposed in the Scheme is in conformity with accounting standards prescribed under Section 133 of the Companies Act, 2013;
 - o. Copy of the Certificate dated February 02, 2024, issued by Statutory Auditors, Chaturvedi and Shah LLP of DBRL stating that the accounting treatment proposed in the Scheme is in conformity with accounting standards prescribed under Section 133 of the Companies Act, 2013;
- xxvi. This Statement may be treated as the Explanatory statement under Section 230(3) and sections 232 and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. A copy of the Scheme and the Explanatory Statement may be obtained free of charge on any working day (except Saturdays) prior to the date of the meeting, from the registered office of DBSIL situated at Dalmiapuram, Dist. Tiruchirappalli, Tamil Nadu – 621651 or at the office of its Advocate, M/s Pawan Jhabakh, New No. 115, Luz Church Road, Mylapore, Chennai - 600004.

December 30, 2024
New Delhi

Registered Office
Dalmiapuram, P.O.
Kallakudi
Dist. Tiruchirappalli, Tamil Nadu-621 651

Sd/-
Aashima V Khanna
Company Secretary
Dalmia Bharat Sugar and Industries Limited

SCHEME OF ARRANGEMENT
BETWEEN
DALMIA BHARAT SUGAR AND INDUSTRIES LIMITED
AND
DALMIA BHARAT REFRACTORIES LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS

(Under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013)
 ("the Scheme")

PREAMBLE

(A) **Dalmia Bharat Sugar and Industries Limited** is a public company limited by shares, incorporated on 01st November, 1951 under the provisions of the Indian Companies Act, 1913, having its registered office at Dalmiapuram, District Tiruchirappalli, Tamil Nadu - 621651 ("DBSIL" or "Demerged Company"). The equity shares of DBSIL are listed on BSE Limited and National Stock Exchange of India Limited.

DBSIL is engaged in manufacturing of sugar, generation of power, manufacturing of industrial alcohol and refractory products, and providing travel services. DBSIL has a refractory unit i.e. Dalmia Magnesite Corporation ("DMC Unit") which is engaged in the business of manufacturing of refractories. DBSIL also has a separate business unit named as Govan Travels ("GT Unit"), which is engaged in the business of providing tour and travel services.

The main objects of the Demerged Company as per its Memorandum of Association are as follows:

The objects for which the Company is established

1. To manufacture, produce, purchase, sell, trade, import, export, treat, boil, refine, prepare, brew and generally to deal with either as principal or agent either solely or in partnership with others in all varieties of sugar, sugar candy, jaggery, khandsari




Aashima V Venkatesh

sugar, natural brown sugar, icing sugar, breakfast sugar, bura sugar, demerara, sugar beet, sugar cane, molasses, syrups, melado, alcohol, ethanol, spirits and all products and by-products thereof such as confectionery, biscuits, chocolates, aerated waters, glucose, honey, breakfast cereals, snacks, table top products, edible oils, bakery products, wheat and wheat products, spices, pulses, rice, ready to cook, heat and eat foods, frozen foods, beverages, pickles and chutneys, dehydrated fruits and vegetables, tinned fruits, dry fruits, candies, milk and milk products, bagasses, bagasse boards, paper, paper pulp, butyl alcohol, acetone, carbon-di-oxide, hydrogen, potash, cane wax, fertilizers, cattle feed and food products generally.

2 To manufacture, produce, purchase, sell, trade, import, export and generally to deal in all types of sugar, sugarcane and high starch agro products, agro based products, ethanol, alcohol, potable liquor, extra neutral alcohol, chemicals, distillers, oil refiners, dye makers, gas makers, electricity, carbon, hydrocarbons, liquid or gaseous petroleum and petroleum products, minerals and the products or the by-products thereof or its feed stocks or which may be derived, produced, prepared, developed, compounded, made or manufactured there from and substances obtained by mixing any of the foregoing with other substances and any and all kinds, types, purposes, grades, forms and formulations of alcohol products including rectified spirit, sanitizer(s), disinfectants and to put to commercial use and otherwise deal in any manner in all or any of them and their allied products and materials.

3 To carry on the business of generation, co-generation, captive consumption, sale, distribution of all forms of energy / power by installation of power plant or otherwise, from hydel, solar, wind farm, conventional and/or nonconventional sources, setting up of facilities for distribution of all forms of energy / power, to buy, sell energy / power from/to any person, Government of India, State Government(s), Municipal or local authority(ies), company or person(s) in India or elsewhere and to transfer power to units/plants of its own group or otherwise for captive use.

4. To manufacture, produce, mine, purchase, sell, treat or otherwise deal with bricks, tiles, pipes, pottery, earthen-ware, sanitary-ware, china and terracotta, dolomite, graphite, refractories and ceramic-ware, fire clay, china clay, magnesite, quartzine and all other refractory materials, chemicals of all kinds including acids, alkalis and

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salts, manures, fertilizers, dyes, caustic soda, soda ash, sulphur, sulphuric acid, sulphates, sulphur pyrites, plums, dry ice, catechu, chlorine, colours, paints, varnishes, and other oiled products.

The objects necessary in furtherance of objects specified in III. (A)

1. To carry on the business as travel agents, tour operators, clearing and forwarding agents and the business of booking and reserving accommodation, seats, compartments and berths on railways, ships, boats, aeroplanes, omnibuses, motor cars, motor buses and to issue tickets for the same and to hire or own taxis, motor cars and all kinds of public transport/vehicles launches and boats.

(B) **Dalmia Bharat Refractories Limited** is a public company limited by shares, incorporated on 4th October, 2006 under the provisions of the Companies Act, 1956, having its registered office at Dalmiapuram, District Tiruchirappalli, Tamil Nadu 621651 ("DBRL" or "Resulting Company"). The equity shares of DBRL are listed on Calcutta Stock Exchange Limited and Metropolitan Stock Exchange of India Limited.

DBRL is engaged in the business of trading and manufacturing of refractories & allied products, mining, manufacturing and trading of tyres & allied products, and providing managerial services related to travel and other business along with making opportunistic and strategic investments.

The main objects of the Resulting Company as per its Memorandum of Association are as follows:

1. To carry on the business of producers, miners, manufacturers, research and development, producers, processors, importers, exporters, sellers, application service providers, dealers, agents, distributors, commission agents for, crush, win, quarry, raise, otherwise deal in cement, any kind of building material and refractory mineral and other products and by-products and substitutes, for all or any of them or any connected with building material, cement, refractory, to treat and utilize any waste arising out of it, to buy and assemble all kind of plant and machinery, tools, equipments in this regard and to carry on any other ancillary agreement in this regard

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2. To purchase or otherwise acquire or take on lease for exploration or dealing in or working of or for mining any land, mining undertaking, mines, quarries, wells, tanks, ponds, river, river bed, or sea and to carry on the business of mining operations and to explore, prospect, quarry, mine, dress, reduce, draw, extract, purify, calcite, smelt, refine, manufacture, otherwise acquire, sell or otherwise dispose of or deal in all quartzite, bauxite, fire clay and other mining material for which mine in relation to the mine lease and production of natural resources and materials derived from natural resources.
3. To evaluate, acquire, invest or otherwise purchase all kinds of shares, properties, goods, stocks, moveable and immovable property in and /or outside India by way of purchase, slump exchange, merger, demerger, reconstruction of business, under Insolvency and Bankruptcy Code 2016, whether through the approval of National Company Law Tribunal or otherwise, for the growth and expansion of the company.
4. To carry on the business of makers, manufacturers, processors, producers, importers, exporters, buyers, sellers, dealers, stockists, distributors, suppliers, agents, merchants, jobbers, processors and concessionaires, within and outside India, of all kinds of rubber, tyres, tubes, flaps, tyre cord, vehicles, wheels, automobile parts and components, automobile accessories, automobile consultants and the compounds, substances, derivatives, substitutes and by-products of the aforesaid materials and to procure, press, vulcanize, repair and retread such of them as are considered expedient and to do any other activity ancillary to this.
5. To carry on the business of spinners, weavers and manufacturers, sellers, traders within India and outside India, of all kind of textiles including but not limited to cotton, wool, silk, flax, hemp, rayon, nylon and other fibrous materials and man-made fibres and to transact all manufacturing, curing, preparing, dyeing, colouring and bleaching processes and to purchase and trend the raw materials and manufactured articles, to and to do any other activity ancillary to this.
6. To carry on the business of Manufacturers, seller, and dealers, within India and outside India, in Iron, Steel, Aluminium, Brass, Copper and Copper alloy, bimetal, Lead, Silver and all other ferrous and non ferrous metal metals, steels, bimetal



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products, copper and copper alloys, alloy steels special and stainless steels, shaftings, bars squares from scrap, sponge iron, pre-reduced pilers billets including manufacturing, processing and fabricating of pipes, utensil wires nails wire ropes, wire products screws expanded metal hinges, plates hoops angles pipes, seamess or otherwise, tubes, sheers, rods, squares, stripes, plates, coils, condensers, seals wires, ingots, circles and other manufactures, by products and parts in all their respective branches and to do any other activity ancillary to this.

7. To carry on the business as owners, investors, promoters, repairs and renovations, dealers, agents, developers and brokers of real estate, land, buildings, estates, hereditaments, factories, roads, highways, bridges, canals, dams, ports, reservoirs, or any other structural or architectural work of any kind whatsoever; whether rural or urban, residential, commercial or industrial, for which purpose to acquire or purchase, take on lease or in exchange, hire or by any other means obtain ownership of and/or options or licence over any freehold or other property of any tenure, estate or interest, or any rights, privileges or easements over or in respect of any property, land or building and to do any other ancillary activity in this regard.
8. To carry on the business of purchasing, selling, distributing, trading, acting as an agent, franchising, collaborating exporting, importing, merchandising, manufacturing, designing, packaging and dealing with all kinds of products, goods, commodities, merchandise, accessories and equipment's relating to, on the Company's online portals or websites as well as through ecommerce, m-commerce, internet, intranet, stores, stalls, or kiosks set up across India or abroad or in any other manner.
9. To carry on the business as travel agents, tour operators, clearing and forwarding agents, and the business of booking and reserving accommodation, seats in any mode of transport, whether for India or outside India, to hire and lease taxis and to all activities ancillary for this activity.
10. To carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing, in any manner whatsoever, in all goods, which are required and support



the above objects, on retail as well as wholesale in India

RATIONALE FOR THE SCHEME

- (A) The Scheme provides for demerger of DMC Unit and GT Unit (being non-core businesses of DBSIL) from DBSIL and transfer and vesting of the same to DBRL which will yield beneficial results and enhanced value creation for their respective shareholders and better security and protection for their lenders and employees.
- (B) The management of DBSIL is of the view that segregation of the DMC Unit and GT Unit from DBSIL will lead to the following benefits:
- Segregation of non-core businesses from sugar business;
 - Efficient and focused management individually on DMC Unit, GT Unit, and sugar business; and
 - Increased flexibility for value extraction and fund raise.
- (C) The management of DBRL is of the view that acquisition of the DMC Unit and GT Unit will lead to the following benefits:
- Focus on the refractory operations carried out by the DMC Unit by demerging it from DBSIL for whom this is currently a non-core business
 - Focus on the business as travel agents, tour operators, clearing and forwarding agents and to do all activities ancillary to these activities which are related to GT Unit; and
- (D) This Scheme shall be in the beneficial interest of all the stakeholders and the shareholders of the Demerged Company and the Resulting Company. In these circumstances, it is considered desirable and expedient to demerge DMC Unit and GT Unit from the Demerged Company to the Resulting Company in the manner and on the terms and conditions stated in this Scheme.
- (E) The respective Board of Directors (as defined hereinafter) of DBSIL and DBRL after detailed deliberation in their meetings held on February 02, 2024, approved this Scheme, for implementing the proposed demerger of the DMC Unit and GT Unit of DBSIL to DBRL.



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(F) This Scheme is proposed to be presented before the Hon'ble NCLT (*defined hereinafter*) by the Demerged Company and the Resulting Company for getting the same sanctioned by the Hon'ble NCLT.

(G) **PARTS OF THE SCHEME**

This Scheme is divided into the following parts:

- (i) **PART I** deals with the definitions and interpretations used in this Scheme;
- (ii) **PART II** deals with particulars of share capital of DBSJL and DBRL;
- (iii) **PART III** deals with provisions relating to the transfer and vesting of Demerged Undertakings of Demerged Company to Resulting Company; and
- (iv) **PART IV** deals with general terms and conditions and other miscellaneous provisions applicable to this Scheme.

TREATMENT OF THE SCHEME FOR THE PURPOSES OF INCOME TAX ACT, 1961

The provisions of this Scheme have been drawn up to comply with the conditions relating to "Demerger" as defined under Section 7(19AA) read with other applicable provisions of the Income Tax Act, 1961. If, at a later date, any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of Section 7(19AA) of the Income Tax Act, 1961, including as a result of an amendment of law or enactment of new legislation or any other reason whatsoever, the provisions of Section 7(19AA) of the Income Tax Act, 1961, or corresponding provisions of any amended or newly enacted law, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 7(19AA) of the Income Tax Act, 1961 or such newly enacted law or new legislation. Such modifications will, however, not affect the other provisions of the Scheme.

NO ARRANGEMENT WITH CREDITORS

The Scheme in no way is a scheme of compromise or arrangement with the creditors and is not, in any way, adversely affecting the rights of the creditors because the aggregate Assets of the Demerged Company and the Resulting Company are more than sufficient to meet the Liabilities owed to the respective creditors in full. The present Scheme is not a scheme of corporate debt restructuring as envisaged under Section



Handwritten signature in blue ink: *Aashima V. Khanna*

230(2)(c) of the Act or a scheme of compromise or arrangement with creditors.

PART I – DEFINITIONS AND INTERPRETATION

1. DEFINITIONS AND INTERPRETATION

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

- 1.1 "Act" or "the Act" means the Companies Act, 2013 including the rules and regulations made thereunder, and any alterations, modifications, amendments made thereto and/or any re-enactment thereof, as applicable and for the time being in force;
- 1.2 "Applicable Law" means (a) all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, circulars, listing agreements, notifications, guidelines or policies of any applicable country and/or jurisdiction, (b) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or governmental approvals of, or agreements with, any governmental authority or stock exchange, and (c) international treaties, conventions and protocols, as may be in force from time to time;
- 1.3 "Appointed Date" shall mean July 1, 2023 or such other date as may be agreed by the Board of Demerged Company and Resulting Company or as the Hon'ble NCLT may decide/approve, being the date with effect from which this Scheme shall become effective and/or be deemed to have become effective;
- 1.4 "Assets" means and includes without limitation, assets or properties of every kind, nature, character and description whether movable, immovable, tangible, intangible, whether owned or leased or otherwise acquired by or in the possession of the relevant company;
- 1.5 "Board of Directors" or "Board" in relation to Demerged Company and Resulting Company, as the case may be, means the Board of Directors of such company, and shall include a committee duly constituted and authorized by each of the companies and/or their respective Boards, for the purposes of various matters pertaining to the Scheme and/or any other related, connected or incidental matters;



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Asst. Com. Vikharia

- 1.6 "Contracts" means all contracts, agreements, leases, linkages, memoranda of understanding, memoranda of agreements, memoranda of agreed points, letters of agreed points, agreed term sheets, deeds, bonds, schemes, arrangements, sales orders, purchase orders, job orders, undertakings, commitments or other legally binding arrangement or instruments, whether written or otherwise, of whatsoever nature;
- 1.7 "DBSIL" or "Demerged Company" means Dalmia Bharat Sugar and Industries Limited (CIN: L15100TN1951PLC000640), a public company limited by shares, incorporated on 01st November, 1951 under the provisions of the Companies Act, 1913, and having its registered office at Dalmiapuram, District Tiruchirappalli, Tamil Nadu- 621651;
- 1.8 "DBRL" or "Resulting Company" means Dalmia Bharat Refractories Limited (CIN: L26100TN2006PLC061254), a public company limited by shares, incorporated on 4th October, 2006 under the Companies Act, 1956 and having its registered office at Dalmiapuram, District Tiruchirappalli, Tamil Nadu - 621651 (which expression, unless repugnant to the context or meaning thereof, shall include its successors and permitted assigns).
- 1.9 "Demerged Undertaking 1" or "DMC Unit" means the refractory business of Demerged Company which is engaged in the business of manufacturing of refractories and comprising inter alia of its undertakings, Assets, Liabilities, Contracts, properties, investments and employees, of whatsoever nature and kind, and wheresoever situated, which relate thereto, or are necessary thereof on a going concern basis, including but not limited to the following:
- a) All Assets, including plant and machinery, mines, equipment, furniture, fixtures, vehicles, raw material, stocks and inventory (including work-in-process), packing material, stationery, all land (including freehold, leasehold, leave and licensed land if any, but not including land parcel identified as spoil bank having survey numbers 108/4, 109/2, 109/3, 110/1, 110/2, 124, 125/1, 126, 127, 128, 129/1A, 129/4A, situated at Velakapatti Village, Omalur Taluk), buildings, any tenancies in relation to land and buildings, fixed assets, capital work in progress, appliances, accessories, parking rights, advances and deposits with any relevant



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Ashwina V. Kanna

Governmental Authority or others, loans, outstanding loans and advances recoverable in cash or in kind (including accrued interest), receivables, cash, balances with banks, cheques, bills of exchange and other negotiable instruments, benefits of any bank guarantees, performance guarantees, corporate guarantees, letters of credit, financial assets and instruments, investments and other funds along with accrued interest thereon and all rights, title, interest, easement and claims in relation thereto, whether real, personal or mixed, corporeal or incorporeal, in possession or otherwise, tangible or intangible, present or future, actual or contingent of whatsoever nature pertaining to the refractory business;

- b) All valid and subsisting Contracts, to which Demerged Company is a party, exclusively relating to its refractory business or otherwise identified to be for the benefit of the same;
- c) All Intellectual Property exclusively used by or held for use by Demerged Company in relation to its refractory business, whether or not registered, owned or licensed, including any form of Intellectual Property which is in progress;
- d) All Permits, quotas, entitlements, claims, liberties, advantages, easements, tenancies including tenancy rights in relation to offices and residential properties, if any, privileges and similar rights, and any waivers of the foregoing, issued by any legislative, executive or judicial unit of any relevant Governmental Authority including but not limited to the relevant licenses, electricity, water supply and environment related approvals and connections, telephone, broadband, wireless and other communication systems and equipment related approvals and connections including for data/image/graphics storage, reproduction, transmission and transfers, and all other rights, Permits, and pending applications for Permits, renewals or extension thereto that exclusively relate to, are issued or held for use by Demerged Company pertaining to its refractory business;
- e) All benefits, entitlements, exemptions, payment deferrals, incentives and concessions under incentive schemes and policies including duties, cess, levies,



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refunds, interest credits and claims under customs, excise, service tax, VAT, GST, DGFT, sales tax and entry tax and income tax laws (including but not limited to credit for advance tax, taxes deducted at source, brought forward accumulated tax losses, unabsorbed depreciation, brought forward losses and unabsorbed depreciation as per the books of account, etc.), subsidy receivables or grants from any relevant Governmental Authority, all other direct tax benefit/exemptions/deductions, sales tax deferrals, to the extent statutorily available/allocable/referable or related to Demerged Company pertaining to its refractory business, along with associated obligations;

- f) All Employees of Demerged Company pertaining to its refractory business, and any payment made towards any provident fund, employees state insurance, gratuity fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such Employees of Demerged Company, together with such of the investments made by these funds, which are in respect of such Employees of Demerged Company;
- g) All legal proceedings (whether civil, criminal or taxation related) or other proceedings or investigations of whatsoever nature (including those before any Governmental Authority) initiated by or against Demerged Company or proceedings or investigations to which Demerged Company is party to, that pertain to its refractory business, if so ascertainable, whether pending/ongoing or which may be instituted any time in the future, to the extent legally permitted;
- h) All Records pertaining to its refractory business, and
- i) all Liabilities of any nature or description, whether fixed, contingent or absolute, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, whether secured or unsecured, of Demerged Company pertaining to the refractory business including:
 - i. all the debts, duties, obligations and liabilities, including contingent liabilities which arise out of the activities or operations of Demerged Company pertaining to the refractory business;



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- iii. the specific loans or borrowings raised, incurred and utilised solely for the activities and operations of Demerged Company pertaining to the refractory business

It is intended that the definition of the Demerged Undertaking 1 under this clause would enable the transfer of all properties, Assets and Liabilities of the Demerged Company relating to the DMC Unit, on a going concern basis to the Resulting Company pursuant to the Scheme.

Any question that may arise as to whether a specific Asset, Permit, Employee, Contract, Records, Intellectual Property or any Liability pertains or does not pertain to the DMC Unit or whether it arises out of the activities or operations of the DMC Unit or not or whether the same shall be transferred or not shall be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company or any committee thereof or authorized personnel;

1.10 "Demerged Undertaking 2" or "GT Unit" means the tours and travel service business of Demerged Company comprising *inter alia* of its undertakings, Assets, Liabilities, Contracts, properties, investments and employees, of whatsoever nature and kind, and wheresoever situated, which relate thereto, or are necessary thereof on a going concern basis, including but not limited to the following:

- a) All Assets, including computer (desktop and/or laptop), equipment including office equipment, furniture, fixtures, vehicles, , stationery, all land (including freehold, leasehold, leave and licensed land if any), buildings, any tenancies in relation to land and buildings, appliances, accessories, parking rights, advances and deposits with any relevant Governmental Authority or others, loans, outstanding loans and advances recoverable in cash or in kind (including accrued interest), receivables, cash, balances with banks, cheques, bills of exchange and other negotiable Instruments, benefits of any bank guarantees, performance guarantees, corporate guarantees, letters of credit, financial assets and instruments, investments and other funds along with accrued interest thereon and all rights, title, interest, easement and claims in relation thereto, whether real, personal or mixed, corporeal or incorporeal, in possession or otherwise.



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Arunima V Mishra

tangible or intangible, present or future, actual or contingent of whatsoever nature pertaining to the Govan travels business;

- b) All valid and subsisting Contracts, to which Demerged Company is a party, exclusively relating to Govan Travels or otherwise identified to be for the benefit of the same,
- c) All Intellectual Property exclusively used by or held for use by Demerged Company in relation to Govan Travels, whether or not registered, owned or licensed, including any form of Intellectual Property which is in progress;
- d) All Permits (including (i) accreditation by International Air Transport Association, and Department of Tourism and Ministry of External Affairs, Government of India; (ii) membership of International Travel associations including Indian Association of Tour Operators, Travel Agents Association of India, Advanced Technology Attachment, American Society of Travel Advisors, United Federation of Travel Agents' Associations), quotas, entitlements, claims, liberties, advantages, easements, tenancies including tenancy rights in relation to offices and residential properties, if any, privileges and similar rights, and any waivers of the foregoing, issued by any legislative, executive or judicial unit of any relevant Governmental Authority including but not limited to the relevant licenses, electricity, water supply and environment related approvals and connections, telephone, broadband, wireless and other communication systems and equipment related approvals and connections including for data/image/graphics storage, reproduction, transmission and transfers, and all other rights, Permits, and pending applications for Permits, renewals or extension thereof that exclusively relate to, are issued or held for use by Demerged Company pertaining to Govan Travels;
- e) All benefits, entitlements, exemptions, payment deferrals, incentives and concessions under incentive schemes and policies including duties, cess, levies, refunds, interest credits and claims under customs, service tax, VAT, GST, sales tax and entry tax and income tax laws (including but not limited to credit for advance tax, taxes deducted at source, brought forward accumulated tax losses,



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Aashima N. Khanna

unabsorbed depreciation, brought forward losses and unabsorbed depreciation as per the books of account, etc.), subsidy/receivables or grants from any relevant Governmental Authority, all other direct tax benefit/exemptions/deductions, sales tax deferrals, to the extent statutorily available/allowable/referable or related to Demerged Company pertaining to Govan Travels, along with associated obligations,

- f) All Employees of Demerged Company pertaining to Govan Travels and any payment made towards any provident fund, employees state insurance, gratuity fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees of Demerged Company, together with such of the investments made by these funds, which are in respect of such Employees of Demerged Company;
- g) All legal proceedings (whether civil, criminal or taxation related) or other proceedings or investigations of whatsoever nature (including those before any Governmental Authority) initiated by or against Demerged Company or proceedings or investigations to which Demerged Company is party to, that pertain to Govan Travels, if so ascertainable, whether pending/ongoing or which may be instituted any time in the future, to the extent legally permitted;
- h) All Records, pertaining to Govan Travels; and
- i) all Liabilities of any nature or description, whether fixed, contingent or absolute, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, whether secured or unsecured, of Demerged Company pertaining to the Govan Travels including:
 - all the debts, duties, obligations and liabilities, including contingent liabilities which arise out of the activities or operations of Demerged Company pertaining to the Govan Travels,
 - the specific loans or borrowings raised, incurred and utilised solely for the activities and operations of Demerged Company pertaining to the Govan Travels.



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Aashima Vikram

It is intended that the definition of the Demerged Undertaking 2 under this clause would enable the transfer of all properties, Assets and Liabilities of the Demerged Company relating to the GT Unit, on a going concern basis to the Resulting Company pursuant to the Scheme

Any question that may arise as to whether a specific Asset, Permit, Employee, Contract, Records, Intellectual Property or any Liability pertains or does not pertain to the Govan Travels or whether it arises out of the activities or operations of the Govan Travels or not or whether the same shall be transferred or not shall be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company or any committee thereof or authorized personnel,

- 1.11 **"Demerged Undertakings"** means Demerged Undertaking 1 or DMC Unit and Demerged Undertaking 2 or GT Unit, collectively;
- 1.12 **"Effective Date"** shall mean the last of the dates on which all the conditions and matters referred to in Clause 23 of this Scheme have been fulfilled or are waived by the Board of both Demerged Company and Resulting Company. Any references in the Scheme to 'upon the Scheme becoming effective' or 'effectiveness of this Scheme' or "coming into effect of this Scheme" shall mean the "Effective Date";
- 1.13 **"Employees"** means employees whether permanent or temporary, including employees/personnel engaged on contract basis and contract labourers, apprentices, interns/trainees, both on-shore and offshore;
- 1.14 **"Encumbrance"** means any (i) charge, lien (statutory or other), or mortgage, any easement, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any person; (ii) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, , including any restriction on use, voting, Transfer, receipt of income or exercise; or (iii) any equity, assignments hypothecation, title retention, restriction, power of sale or other type of preferential arrangements; or (iv) any agreement to create any of the above, and the term "Encumbered" shall be construed accordingly;
- 1.15 **"Governmental Authority"** means any applicable central, state or local government or semi-government, legislative, executive, regulatory or administrative authority,



Anshuima V. Khanna

local authority, agency or commission or any court, tribunal, board, department, commission, entry, agency, bureau, instrumentality, official, judicial or arbitral body, statutory body or Stock Exchange(s), including but not limited to the Reserve Bank of India ("RBI") and the Securities and Exchange Board of India ("SEBI"); or any other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law,

- 1.16 "Income Tax Act" means the Income Tax Act, 1961, including the rules made thereunder, and any amendments, alterations, modifications made thereto or any re-enactments thereof for the time being in force,
- 1.17 "Intellectual Property" means all intellectual properties including trademarks, service marks, logos, trade names, domain names, database rights, design rights, rights in know-how, goodwill, trade secrets, copyrights, moral rights, confidential processes, patents, inventions and any other intellectual property or proprietary rights (including rights in computer software) of like nature;
- 1.18 "Liability" means any liability, loan, borrowings, financial assistance, indebtedness, obligation, interest, penalty, commitment, expense, claim, deficiency, guarantee or endorsement of or by any person of any type, known or unknown, asserted or unasserted and whether accrued, absolute, contingent, matured or unmatured, including any liability for Taxes;
- 1.19 "National Company Law Tribunal" or "NCLT" means the National Company Law Tribunal constituted by the Central Government under section 408 of the Act having jurisdiction in relation to Demerged Company and Resulting Company;
- 1.20 "New Equity Shares" means the equity shares of the Resulting Company issued and allotted pursuant to the Scheme;
- 1.21 "Parties" shall mean collectively the Demerged Company and the Resulting Company and "Party" shall mean each of them, individually;
- 1.22 "Permits" means all consents, licences, permits, permissions, authorisations, rights, clarifications, approvals, clearances, confirmations, declarations, waivers,



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Aashwini. Vikram

exemptions, allotments, concessions, no-objection certificates, certifications, registrations, whether governmental, statutory, regulatory under Applicable Law;

- 1.23 "Record Date" means the date fixed by the Board of Directors of the Demerged Company and the Resulting Company for the purpose of determining the shareholders of the Demerged Company to whom New Equity Shares will be allotted pursuant to the Scheme;
- 1.24 "Records" means all books, records, files, papers, engineering and process information, records of standard operating procedures, computer programs along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records and all other information on whatever media stored, whether in physical or electronic form;
- 1.25 "Registrar of Companies" means the jurisdictional Registrar of Companies of Demerged Company and the Resulting Company;
- 1.26 "Remaining Business" means all the undertakings, businesses, activities and operations of Demerged Company, but excluding the DMC Unit and GI Unit as defined in sub clause 1.9 and 1.10 above;
- 1.27 "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Arrangement in its present form as submitted to the Hon'ble NCLT or this Scheme with such modification(s), if any made, as per Clause 21 of the Scheme,
- 1.28 "SEBI Circular" shall mean the circular issued by the SEBI, being Master Circular SEB/HO/CFD/POD-7/P/CIR/2023/93 dated June 20, 2023, and any amendments thereof, modifications issued pursuant to regulations 11, 37 and 94 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015;
- 1.29 "Stock Exchange(s)" mean BSE Limited, National Stock Exchange of India Limited, Calcutta Stock Exchange Limited and Metropolitan Stock Exchange of India Limited, collectively;



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- 1.30 "Taxation" or "Tax" or "Taxes" means all forms of taxes (whether direct or indirect) and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, asset values, turnover, added value or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, advance tax, minimum alternate tax or otherwise or attributable directly or primarily to Demerged Company and Resulting Company and all penalties, charges, costs and interest relating thereto; and
- 1.31 "Tax Laws" means all Applicable Laws, acts, rules and regulations dealing with Taxes including but not limited to the income-tax, goods and services tax or any other levy of similar nature.

2. CONSTRUCTION

- 2.1 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income Tax Act, the Securities Contract Regulation Act, 1956, Securities and Exchange Board of India Act, 1992 (including the Regulations made thereunder), the Depositories Act, 1996, Applicable Laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

- 2.2 In this Scheme, unless the context otherwise requires:
- a) words denoting singular shall include plural and vice versa;
 - b) headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;
 - c) references to the word "include" or "including" shall be construed without limitation;
 - d) a reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;
 - e) reference to a document includes an amendment or supplement to, or replacement or novation of, that document; and



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Asmita Ukrania

- f) references to a person include any individual, firm, body corporate (whether incorporated or not), Governmental Authority, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether having separate legal personality or not).
- g) references to any of the terms, taxes, duty, levy, cess in the Scheme shall be construed as reference to all of them whether jointly or severally
- h) word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them.
- i) unless otherwise defined, the reference to the word "days" shall mean calendar days.
- j) references to dates and times shall be construed to be references to Indian dates and times.
- k) any reference to any statute or statutory provision shall include:
 - (i) all subordinate legislations made from time to time under that provision (whether amended, modified, re-enacted or consolidated from time to time or not) and any retrospective amendment; and
 - (ii) such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the filing of this Scheme) to the extent such amendment, modification, re enactment or consolidation applies or is capable of applying to the matters contemplated under this Scheme and (to the extent liability thereunder may exist or can arise) shall include any past statutory provision (as amended, modified, re enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced.

PART II - SHARE CAPITAL

3. SHARE CAPITAL

3.1 The authorized, issued, subscribed and paid-up share capital of Demerged Company as on December 31, 2023 is as under:



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Anshuma Vikram

Share Capital	INR crores
Authorized Share Capital	
11,57,26,820 (11,47,26,820) Ordinary equity shares of Rs. 2/- each	73.45
8,52,73,180 (8,52,73,180) Unclassified equity shares of Rs 2/- each	17.05
Total	40.50
Issued, Subscribed and Fully Paid Up Share Capital	
8,09,39,303 (8,09,39,303) ordinary equity shares of Rs. 2/- each	16.19
Total	16.19

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

- 3.2 The authorized, issued, subscribed and paid-up share capital of Resulting Company as on December 31, 2023 is as under:

Share Capital	INR crores
Authorized Share Capital	
20,00,00,000 equity shares of Rs. 10/- each	200
10 redeemable preference shares of INR 10/- each	0.00001
Total	200.00001
Issued, Subscribed and Paid-up Share Capital	
4,42,00,107 equity shares of Rs. 10/- each	44.20
1 redeemable preference share of INR 10/- each	0.000001
Total	44.200001

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

- 3.3 The Demerged Company and Resulting Company may, if required for the purpose of their respective businesses, during the pendency of the Scheme, from time to time, in accordance with the Act, rules and regulations framed by SEBI including the SEBI Issue



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Aashima V. Venkatesh

of Capital and Disclosure Requirements) Regulations, 2018 and other Applicable Laws, issue securities to any persons (including by way of a rights issue, preferential allotment or bonus issue), in the normal course of business.

4. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme as set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT or made as per Clause 21 of this Scheme, shall be effective from the Appointed Date, but shall be operative from the Effective Date.

PART III – TRANSFER AND VESTING OF DEMERGED UNDERTAKINGS TO THE RESULTING COMPANY

TRANSFER AND VESTING OF DEMERGED UNDERTAKINGS

5.1 Upon the Scheme becoming effective and with effect from the opening of business hours of the Appointed Date, and subject to the provisions of this Scheme and pursuant to Sections 230 to 232 of the Act, the whole of the Demerged Undertakings of the Demerged Company shall stand demerged, transferred and vested in the Resulting Company on a going concern basis and all Assets, Liabilities, Contracts, Employees, Permits, Records, no objection certificates, approvals, credentials, litigations, etc. of the Demerged Undertakings shall, without any further act, instrument or deed, stand demerged, transferred to and vested in or be deemed to have been demerged, transferred to and vested in the Resulting Company, so as to become as and from the Appointed Date, the Assets, Liabilities, Contracts, Employees, Permits, Records, no objection certificates, approvals, credentials, litigations, etc. of the Resulting Company by virtue of, and in the manner provided in this Scheme.

5.2 ASSETS AND LIABILITIES

Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:

A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text "K. BHARATI & COMPANY" around the perimeter and "K. BHARATI & COMPANY" in the center.

2:

A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text "Lanka General Sugar and Industries Corporation" around the perimeter and "Lanka General Sugar and Industries Corporation" in the center.

5.2.1 All the movable Assets pertaining to the Demerged Undertakings capable of being transferred to and vested by delivery, including plant and machinery and Records, or which are incorporeal property shall be handed over by physical or constructive delivery (together with duly executed transfer forms or other documents as may be required) to Resulting Company along with such other documents as may be necessary or by manual/constructive delivery of possession and/or by endorsement and delivery, as appropriate in relation to the Asset, towards the end and intent that the property therein passes to Resulting Company on such delivery without requiring any deed or instrument of conveyance for the same and shall become the property of Resulting Company accordingly. The investments of the Demerged Company, relating to the Demerged Undertakings (if any) held in dematerialized form will be transferred to Resulting Company by issuing appropriate delivery instructions to the depository participant of the Demerged Company and Resulting Company, as may be required. The investments of the Demerged Company, relating to the Demerged Undertakings (if any) held in physical form will be transferred to Resulting Company by execution of duly stamped transfer forms by the Demerged Company and Resulting Company and delivery of the relevant certificates reflecting ownership of such investments by the Demerged Company to the Resulting Company. Such delivery and transfer shall be made on a date mutually agreed upon between the respective Boards of Demerged Company and Resulting Company or any committee thereof or authorized personnel, being a date after the sanction of the Scheme by the NCLT.

5.2.2 The movable Assets pertaining to the Demerged Undertakings, other than those specified in sub clause 5.2.1 above, including intangible assets, actionable claims, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances, investments (other than those covered in sub clause 5.2.1) and deposits including deposits paid in relation to outstanding litigations, if any, with any Governmental Authority, customers and other persons, shall, without any



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Asst. Registrar

further act, instrument or deed, be transferred to and vested in as the property of Resulting Company. The Resulting Company may, if required, give notice in such form as it may deem fit and proper to each person or debtor that, pursuant to the Scheme, the said person or debtor should return the investment, pay the interest, debt, loan or advance or make good the same or hold the same to its account and that the right of Resulting Company to recover or realise the same is in substitution of the right of Demerged Company and that appropriate entry should be passed in its respective books to record the aforesaid charges. Any document of title pertaining to the Assets of the Demerged Undertakings shall also be deemed to have been mutated and recorded as titles of Resulting Company to the same extent and manner as originally held by Demerged Company to the end and intent that all the ownership, right, title and interest so vesting in Resulting Company will be such as if Resulting Company was originally the Demerged Company. The Resulting Company shall be entitled to the delivery and possession of all documents of title including all related documents of all such movable Assets pertaining to the Demerged Undertakings.

- 5.7.3. Without prejudice to any of the clauses above, all immovable Assets pertaining to the Demerged Undertakings on and from the Appointed Date, including land together with buildings and structure and rights thereon, whether freehold or leasehold, and any documents of title, rights, interests, claims, including leases, licenses and easements in relation thereto, shall, pursuant to the applicable provisions of the Act and the Scheme, without any further act, instrument, deed, matter or thing, stand transferred to and vested into Resulting Company, as of the Appointed Date. The mutation of the title to the immovable Assets shall be made and duly recorded by the appropriate Governmental Authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in favour of Resulting Company without requirement of execution of any further documents for registering the name of Resulting Company as owner thereof and the Governmental Authorities, including Sub-registrar of Assurances,



A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text 'KARNATAKA GOVT' and 'BANGALORE'.

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A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text 'Registrar of Companies' and 'BANGALORE'.

Talati, Tehsildar, etc. to rely on the Scheme along with the copy of the order passed by the NCLT sanctioning the Scheme, to make necessary mutation entries and changes in the land or revenue records to reflect the name of Resulting Company as owner of the Immovable Assets. Without prejudice to the aforesaid, the Resulting Company shall be entitled to and exercise all rights and privileges attached to the immovable properties and shall be liable to pay rent, taxes and to fulfill all obligations in relation to or applicable to such immovable properties with effect from the Appointed Date. Furthermore, no duty (including stamp duty), levy, cess of any nature will be payable by the Resulting Company at the time of transfer of the Encumbrance, charge and/or right covered above with respect to the immovable properties. It is clarified for the removal of doubt that if any document is required to be executed by the Resulting Company for the purpose of transfer of immovable properties, then the Resulting Company shall be entitled to execute such deeds, agreements, conveyance and/or documents as may be required to ensure mutation of the title to the immovable properties in favour of the Resulting Company by the Governmental Authorities upon this Scheme becoming effective, provided that, the immovable properties in respect of which the Demerged Company has executed a duly stamped and registered agreement to sell / purchase or development agreement or similar agreement and a conveyance deed/sale deed has to be re-executed in favour of the Resulting Company, then the Resulting Company shall be entitled to avail credit to the stamp duty (if any) already paid by the Demerged Company on the respective agreements.

- 5.2.4 All telephones, telex, facsimile, cell phones and other communication facilities, electricity, water and other utility connections and tariff rates in respect thereof sanctioned by various public sector and private companies, boards, agencies and authorities to the Demerged Company together with security deposits and all other advances paid, shall stand transferred in favour of the Resulting Company on the same terms and conditions upon this Scheme becoming effective with effect from the Appointed Date without requiring any further act, deed or instrument for the transfer of the same;



A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text "CELESTIAL REFRACTOR LTD" around the perimeter and a star symbol at the bottom.

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A handwritten signature in blue ink, "Anshu V. Khanna", is written over a circular blue stamp. The stamp contains the text "Durga Charat Sugar and Industries Limited" around the perimeter and a star symbol at the bottom.

- 5.2.5. All Intellectual Property pertaining to the Demerged Undertakings (specifically excluding such Intellectual Property rights as may be identified by the Board of Demerged Company or by any other employee as authorized by the Board of Demerged Company), if any, shall stand vested in Resulting Company without any further act, instrument or deed. The Resulting Company and the Demerged Company shall take all necessary actions and steps to implement or record such transfer as may be required under Applicable Law.
- 5.2.6. All the Liabilities including contingent liabilities payable by the Demerged Company pertaining to the Demerged Undertakings and duties and obligations of the Demerged Company pertaining to the Demerged Undertakings shall, without any further act, instrument or deed, be transferred to and vested into as the Liabilities of the Resulting Company, to the extent they are outstanding on the Appointed Date and shall become the Liabilities of Resulting Company on the same terms and conditions as were applicable to Demerged Company, and Resulting Company alone shall meet, discharge and satisfy the same.
- 5.2.7. All Liabilities including contingent liabilities payable by the Demerged Company pertaining to the Demerged Undertakings, including those which are incurred or which arise or accrue on or after the Appointed Date but prior to the Effective Date, shall, without any further act, instrument or deed, be transferred to and vested into as the Liabilities of Resulting Company and the same shall be assumed by Resulting Company and to the extent they are outstanding on the Effective Date on the same terms and conditions as were applicable to Demerged Company and Resulting Company alone shall meet, discharge and satisfy the same.
- 5.2.8. Any Liabilities pertaining to the Demerged Undertakings as on the Appointed Date that are discharged by Demerged Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to have been discharged for and on account of Resulting Company.



A circular stamp with the text "DILIPI K. ANANTHARAMAN" around the perimeter and "DIRECTOR" at the bottom. A handwritten signature in blue ink is written across the stamp.

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A handwritten signature "Aashima V Khanna" in blue ink is written above a circular stamp. The stamp contains the text "Aashima V Khanna" at the top, "Director" at the bottom, and "Sugar and Industries" in the middle. There is a small star symbol at the bottom of the stamp.

5.2.9 The transfer and vesting of the Demerged Undertakings, shall be subject to the existing securities, charges and mortgages, if any, subsisting over or in respect of the Assets or any part thereof

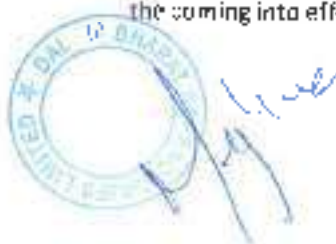
Provided that in so far as the Assets comprised in the Demerged Undertakings are concerned, the Encumbrance over such Assets relating to any Liabilities pertaining to the Remaining Business shall, without any further act or deed, be released from such Encumbrance and shall no longer be available as security in relation to such Liabilities.

Provided further that In so far as the Assets comprised in the Remaining Business are concerned, the Encumbrance over such Assets relating to the Liabilities pertaining to the Demerged Undertakings shall, without further act, instrument or deed, along with any guarantees, indemnities, or undertakings provided by Demerged Company in relation to the Demerged Undertakings, be released and discharged from the obligations and security relating to the same. With effect from the Appointed Date and upon the Scheme becoming effective, Resulting Company undertakes to meet, discharge and satisfy the loans, borrowings, debts and financial assistance pertaining to the Demerged Undertakings transferred to it.

Provided also that the transfer and vesting of Liabilities pertaining to the Demerged Undertakings shall continue to have Encumbrances confined only to the relevant Assets of the Demerged Undertakings or part thereof and no such Encumbrances shall extend over or apply to any other Asset(s) of Resulting Company

It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any Contract by virtue of which such liabilities, duties and obligations have arisen in order to give effect to the provisions of this clause. Provided however, the Demerged Company shall procure all such consents and provide all required intimations to such persons.

5.2.10 Without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme and with effect from the Appointed Date,



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all Permits including leases, privileges, easements and advantages, facilities, rights, powers and interest (whether vested contingent or impending), of every kind and description of whatsoever nature in relation to the Demerged Undertakings, to which Demerged Company is a party to or to the benefit of which Demerged Company may be eligible and which are subsisting or having effect immediately before the Effective Date shall, subject to Applicable Law, stand transferred to and vested in or shall be deemed to be transferred to and vested in Resulting Company as if the same were originally given or issued to or executed in favour of Resulting Company, and the rights and benefits under the same shall be available to Resulting Company. Further, Demerged Company shall execute such further deeds or documents, file such applications with the concerned authorities, as may be required to give effect to this clause.

5.2.11 All cheques and other negotiable instruments, payment order, electronic fund transfers (like NEFT, RTGS, etc.) received or presented for encashment which are in the name of Demerged Company (in relation to its Demerged Undertakings) after the Effective Date shall be accepted by the banker(s) of Resulting Company and credited to the account of Resulting Company, if presented by Resulting Company or received through electronic transfers. Similarly, the banker(s) of Resulting Company shall honour all cheques/electronic fund transfer instructions issued by Demerged Company (in relation to its Demerged Undertakings) for payment after the Effective Date.

5.2.12. Taxes, if any, paid or payable by the Demerged Company after the Appointed Date and specifically pertaining to its Demerged Undertakings shall be treated as paid or payable by the Resulting Company and the Resulting Company shall be entitled to claim the credit, refund or adjustment for the same as may be applicable.

5.2.13. If the Demerged Company is entitled to any unutilized credits (including balances or advances), benefits under the Incentive schemes and policies including tax holiday or concessions relating to its Demerged Undertakings under any Tax Laws or Applicable Laws, the same shall, to the extent statutorily



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available and along with associated obligations, stand transferred to and be available to Resulting Company as if Resulting Company was originally entitled to all such benefits, entitlements, incentives and concessions and the Resulting Company shall be entitled, as an integral part of the Scheme to claim such benefit or incentives or unutilised credits as the case may be without any specific approval or permission. Further, Demerged Company and Resulting Company shall execute such further deeds or documents, file such applications with the concerned authorities, as may be required to give effect to this clause.

5.2.14. All benefits of any and all corporate approvals as may have already been taken by Demerged Company with respect to the Demerged Undertakings, whether being in the nature of compliances or otherwise, shall stand vested in Resulting Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by Resulting Company.

5.2.15. Upon the Scheme becoming effective, the Demerged Company and the Resulting Company 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 the Scheme.

5.2.16. In respect of any refunds, benefits, incentives, grants, subsidies in relation to or in connection with the Demerged Undertakings, the Demerged Company shall, if so required by the Resulting Company, issue notices in such form as the Resulting Company may deem fit and proper stating that pursuant to the NCLT having sanctioned this Scheme, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Demerged Company, as the person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same, stands transferred to the Resulting Company and that appropriate entries should be passed in their respective books to record the aforesaid changes. All other assets of the Demerged Company of every kind, nature and description in relation to the Demerged Undertakings other than those mentioned above, including but not

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limited to actionable claims, sundry debtors, receivables, bills, credits, outstanding loans, advances (if any) recoverable in cash or kind or for value to be received, bank balances, investments, earnest money and deposits with any governmental or quasi-governmental authority, other authorities and bodies, or with any other company or person, or customers (along with the encumbrance, charges and /or rights thereon), suppliers or vendors, shall without any further act or deed, cost or charge and without any notice or other intimation to any third party be transferred to and be vested in the Resulting Company upon this Scheme becoming effective with effect from the Appointed Date.

It is clarified that the Demerged Company shall (if so required by the Resulting Company, issue notices in such form as the Resulting Company may deem fit and proper, and/ or the Resulting Company may, in its sole discretion, without being obliged to do so, issue notices in such form as the Resulting Company may deem fit and proper stating that pursuant to the sanction of this Scheme, the relevant debt, loan, advance or other asset, be paid or made good or held on account of the Resulting Company, as the person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realize the same stands transferred to the Resulting Company and that appropriate entries should be passed in their respective books to record the aforesaid changes;

6. PERMITS

- 6.1. With effect from the Appointed Date, all the Permits held or availed of by, and all rights and benefits that have accrued to, the Demerged Company pertaining to the Demerged Undertakings, pursuant to the provisions of Sections 230 to 232 of the Act, shall be transferred to and vested in the Resulting Company and the concerned licensor and grantors of such Permits shall endorse where necessary, and record the Resulting Company on such Permits so as to empower and facilitate the transfer and vesting of the Demerged Undertakings in the Resulting Company and continuation of operations pertaining to the Demerged Undertakings by the Resulting Company without any hindrance. The Permits shall stand transferred to and vested in or be

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deemed to have been transferred to, and vested in, and be available to, the Resulting Company so as to become as and from the Appointed Date, the Permits, rights, title, interests and benefits of the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company and the Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Resulting Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in Applicable Laws, without any other order to this effect, pursuant to the sanction of this Scheme by the NCLT.

- 6.2. Upon the Effective Date and until the Permits are transferred, vested, recorded, effected, and/or perfected, in the record of the appropriate Governmental Authority, in favour of the Resulting Company, the Resulting Company is authorized to carry on business in the name and style of the Demerged Company, and under the relevant Permits, and the Resulting Company shall keep a record and/or account of such transactions.
- 6.3. Notwithstanding the generality of the foregoing provisions, all electricity, gas, water and any other utility connections and tariff rates in respect thereof sanctioned by various public sector and private companies, boards, agencies and authorities in different states pertaining to the Demerged Undertakings, together with security deposits and all other advances paid, shall stand automatically transferred in favour of the Resulting Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The relevant electricity, gas, water and any other utility companies, boards, agencies and authorities, upon receiving of the information about the effectiveness of the Scheme, shall issue invoices in the name of the Resulting Company with effect from the billing cycle commencing from the month immediately succeeding the month in which the Effective Date falls. The Resulting Company shall comply with the terms, conditions and covenants associated with the grant of such connection and shall also be entitled to refund the security deposits placed with such companies, boards, agencies and authorities in respect of the Demerged Undertakings.



A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text "Resulting Company" around the perimeter and a star in the center.

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A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text "Dama Bhatti Sugar and Industrial Company" around the perimeter and a star in the center.

- 6.4. Where there are any common Permits, utilities etc. being used for the Demerged Company as a whole (i.e. for the refractory business, Govan Travels business and the Remaining Business jointly), the Resulting Company shall be allowed to continue to utilize such common Permits, utilities etc. till such time that the Resulting Company is able to procure such Permits, utilities etc. in its own name.

7 CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC

- 7.1. Subject to the other provisions of the Scheme, all Contracts in relation to the Demerged Undertakings, to which the Demerged Company is a party and which is subsisting or having effect on or immediately before the Effective Date shall remain in full force and effect against or in favour of the Resulting Company and shall be binding on and be enforceable by and against the Resulting Company as fully and effectually as if the Resulting Company had at all material times been a party or beneficiary or obligee thereto. The Resulting Company will, if required, enter into a novation agreement, sub-contracting agreement, deeds, writings or confirmations in relation to such Contracts as stated above and, if required, cause such Contracts as stated above to be formally taken on record/ recognised by the appropriate Governmental Authorities or other persons. Until such time the relevant counterparty takes cognizance of the transfer of the Contract to the Resulting Party, all rewards, benefits, payments under such Contracts shall be enforced and held in trust by the Demerged Company in favour of the Resulting Company and all duties and obligations under such Contracts shall be performed by the Resulting Company. In such cases, the Resulting Company, if required shall indemnify the Demerged Company for any risks or loss or reward associated with such Contracts.
- 7.2. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertakings of the Demerged Company occurs by virtue of this Scheme, the Demerged Company and/or the Resulting Company may, at any time 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 to which the Demerged Company is a party or any writings as may be



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necessary in order to give effect to the provisions of this Scheme. The Resulting Company shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company, after making prior intimation to the Demerged Company, to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company pertaining to Demerged Undertakings

- 7.3. On and from the Effective Date, and thereafter, the Resulting Company shall be entitled to enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Demerged Company, in relation to or in connection with the Demerged Undertakings, in the name of the Resulting Company in so far as may be necessary until the transfer of rights and obligations of the Demerged Undertakings to the Resulting Company under this Scheme have been given effect to under such contracts and transactions
- 7.4. In an event where any Contracts pertaining to the Demerged Undertakings are not transferrable for any reasons, the Demerged Company shall sub-contract such contracts to the Resulting Company by entering into applicable Contracts as per the Applicable Law and the provisions of the Contract which is sought to be sub-contracted. In such cases, the Resulting Company, if required shall indemnify the Demerged Company for any risks or loss or reward associated with such Contracts sub-contracted. Further, if any Contracts pertaining to the Demerged Undertakings are not transferrable for any reasons and cannot be sub-contracted to the Resulting Company then, the Resulting Company shall allow the Demerged Company the right to use such performance qualifications, technical experience and credentials, if required, which will be transferred to the Resulting Company pursuant to this Scheme to complete/ implement only such Contracts.
- 7.5. Any powers of attorneys provided by the Demerged Company in respect of the Demerged Undertakings shall be either: (a) revoked by the Demerged Company on and from the expiry of 30 days from the Effective Date and the Resultant Company may issue fresh powers of attorneys as may be applicable; or (b) be read as having been provided by the Resulting Company on and from the Effective Date, as may be agreed by the respective Boards of the Parties.



- 7.5. All insurance policies of the Demerged Company issued in respect of the Demerged Undertakings shall be deemed to have been transferred to and stand to the benefit of the Resulting Company and the name of the Resulting Company shall be substituted as "insured" in the policies as if the Resulting Company was initially a party thereto.
- 7.7. On and from the Effective Date until the date when any Contracts entered into by the Demerged Company with insurers in respect of the Demerged Undertakings are transferred to the Resulting Company pursuant to and in accordance with the Scheme or new insurance policies are obtained by the Resulting Company in respect thereof, the Demerged Company shall cooperate with the Resulting Company and take all necessary steps including payment of the requisite premium amount (which shall be reimbursed by the Resulting Company), to ensure that the insurance policies are maintained as valid and subsisting and the Resulting Company is able to make any claims under such policies (whether directly or through the Demerged Company).

B. LEGAL PROCEEDINGS

- 8.1. Upon the coming into effect of this Scheme, legal proceedings pending as on the Effective Date relating to the Demerged Undertakings 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 but shall be continued and be enforced by or against the Resulting Company with effect from the Effective Date in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company.
- 8.2. The Resulting Company: (a) shall be replaced/added as party to such proceedings relating to the Demerged Undertakings, and (b) shall prosecute or defend such proceedings at its own cost and the liability of the Demerged Company shall consequently stand nullified. Each of the Parties shall make relevant applications to the Governmental Authorities in this regard.
- 8.3. It is clarified that except as otherwise provided herein, the Demerged Company shall in no event be responsible or liable in relation to any proceedings relating to the Demerged Undertakings that stand transferred to the Resulting Company.



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and all instruments or documents and do all the acts and deeds as may be required, including filing of necessary applications, notices, intimations or letters with any Governmental Authority or person to give effect to the Scheme.

11. CONSIDERATION

- 11.1. Upon the Scheme becoming effective and in consideration of and subject to the provisions of the Scheme, the Resulting Company shall without any application or deed, issue and allot New Equity Shares of face value of INR 10/- each, credited as fully paid up, to the extent indicated below, to the equity shareholders holding fully paid up equity shares of the Demerged Company and whose name appear in the register of members / register of beneficial owners of the Demerged Company as maintained by the registrar and transfer agent and/or depositories, as the case may be, as on the Record Date or to their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Demerged Company in the following proportion, subject to Clause 11.4, Clause 11.5 and Clause 11.6 of the Scheme:

"1 fully paid up equity share of face value of INR 10/- each of the Resulting Company shall be issued and allotted for every 48.18 fully paid up equity share of face value INR 7 each held by equity shareholders of the Demerged Company."

Upon this Scheme becoming effective, the Company Secretary or any other authorized personnel of the Demerged Company shall, on the Record Date, provide to Resulting Company, a list containing particulars of equity shareholders of the Demerged Company as on the Record Date, along with their respective entitlement to the fully paid-up equity shares of the Resulting Company, pursuant to this Scheme.

- 11.2. The share exchange ratio has been arrived at on basis of the valuation report of Valves Icotech Pvt. Ltd. (Firm Registration Number IBBI/RV-F/02/2023/178), M/s I & A Financial Services (P) Ltd., SEBI registered Category I merchant banker having license no. [NM00001484], has provided a fairness report on the fairness of the share exchange ratio determined for the demerger of the Demerged Undertakings of Demerged Company into the Resulting Company. Based on the recommendations of the audit committee of the Demerged Company and the Resulting Company, the



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valuation report and fairness report as aforesaid have been duly approved by the Board of each of the Demerged Company and the Resulting Company.

- 11.3. The fractional entitlements, if any, shall be consolidated and the aggregate of such fractions shall be issued and allotted directly to and held by a trustee nominated by the Board of Resulting Company in that behalf, who shall sell such shares in the market at a market price or at a price as prescribed under regulation 165 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or as amended whichever is applicable. Such sale to be concluded within 90 days, in compliance with Applicable Law, from the date of allotment of shares, as per the Scheme and on such sale, shall pay to the Resulting Company, the net sale proceeds (after deduction of applicable taxes and other expenses incurred), whereupon the Resulting Company shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of Demerged Company in proportion to their respective fractional entitlements so sold by the trustee. In the event that the trustee is unable to sell such shares in the market as aforesaid, these may be sold through off market transactions at such price and on such time or times as the trustee may in its sole discretion decide, from the date of allotment of shares, as per the Scheme and on such sale, shall pay to the Resulting Company, the net sale proceeds (after deduction of applicable taxes and other expenses incurred), whereupon the Resulting Company shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of Demerged Company in proportion to their respective fractional entitlements so sold by the trustee.
- 11.4. The New Equity Shares to be issued to the shareholders of the Demerged Company as above shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Resulting Company. Further, the New Equity Shares issued shall rank pari passu with the existing equity shares of the Resulting Company in all respects including dividends, if any that may be declared by the Resulting Company on or after the Scheme becoming effective, as the case may be.
- 11.5. The issue and allotment of the New Equity Shares to the shareholders of the Demerged Company as provided in Clause 11 of this Scheme, is an integral part of the Scheme, and shall be deemed to be carried out without requiring any further action



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the part of the Resulting Company or its shareholders as if the procedure laid down under Sections 42, 62 of the Act and any other applicable provisions of the Act or any other Applicable Laws, were duly complied with

- 11.6 With respect to any foreign shareholders of the Demerged Company, the Resulting Company shall comply with the Applicable Laws including RBI guidelines, SEBI regulations, directions and instructions of the Stock Exchanges and applicable provisions of Foreign Exchange Management Act 1999, including the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, to enable it to issue New Equity Shares pursuant to this Scheme.
- 11.7 The New Equity Shares to be issued and allotted by the Resulting Company to the shareholders of the Demerged Company shall be issued in dematerialized form. All the shareholders who hold shares of the Demerged Company in physical form shall also have the option to receive the equity shares, as the case may be, in dematerialized form provided the details of their account with the depository participant are intimated in writing to the Demerged Company and/or its registrar and transfer agent on or before the Record Date. The shareholders who fail to provide such details shall be issued equity shares in physical form. Notwithstanding the above, if as per Applicable Laws, the Resulting Company is not permitted to issue and allot the New Equity Shares in physical form and it has still not received the demat account details of such shareholders of the Demerged Company, the Resulting Company shall issue and allot such shares in lieu of the New Equity Share entitlement of such shareholders, into a Suspense escrow demat account, which shall be operated by one of the directors or any such employee of the Resulting Company duly authorized by the Board in this regard, who shall upon receipt of appropriate evidence from such shareholders regarding their entitlements, transfer from such Suspense escrow demat account into the individual demat account of such claimant shareholders, such number of shares as they may be entitled in terms of this Scheme. Further, the New Equity Shares to be issued in respect of the shares of the Demerged Company held in an Suspense escrow demat account, if any, shall also be issued into the Suspense escrow demat account created for the shareholders of the Demerged Company.



Ashwina Vikram

- 11.8. In the event that the Parties restructure their share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the share exchange ratio per Clause 11.1 shall be adjusted accordingly to take into account the effect of any such corporate actions.
- 11.9. It is hereby clarified that for the purposes of increasing the authorized share capital of Resulting Company to issue the New Equity Shares, the consent of the shareholders of the Resulting Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and no further resolution under Sections 13, 51, 64 of the Act and other applicable provisions of the Act would be required to be separately passed.
- 11.10. The New Equity Shares to be issued by the Resulting Company pursuant to Clause 11 in respect of such of the equity shares of the Demerged Company 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 Governmental Authority or otherwise, also be kept in abeyance by the Resulting Company
- 11.11. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of the Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in the Demerged Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the share in the Resulting Company and in relation to the shares issued by the Resulting Company after the effectiveness of the Scheme. The Board or any committee thereof or authorized personnel of the Demerged Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Resulting Company on account of difficulties faced in the transition period.
- 11.12. The New Equity Shares to be issued by the Resulting Company pursuant to this Scheme in respect of any equity shares of the Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall, pending allotment



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or settlement of dispute by order of a court or otherwise, be held in abeyance by the Resulting Company.

- 11.13. The Board or any committee thereof or authorized personnel of the Resulting Company shall be empowered to remove any difficulties as may arise in the course of implementation of this Scheme or in relation to the Issue of New Equity Shares and registration of new members in the Resulting Company after this Scheme becomes effective.

PART IV – GENERAL TERMS AND CONDITIONS

12. TRANSACTIONS UPTO THE EFFECTIVE DATE

Upon Scheme being approved by the Board of Directors of the Parties and up to and including the Effective Date:

- 12.1. The Demerged Company shall carry on the business of the DMC Unit and GT Unit and shall hold and stand possessed of all its Assets for and on account of and in trust for Resulting Company. The Demerged Company hereby undertakes to hold its said Assets with utmost prudence until the Effective Date.
- 12.2. The Demerged Company shall carry on the business and activities of DMC Unit and GT Unit with reasonable diligence, business prudence and shall not, except in the ordinary course of business or with prior written consent of Resulting Company, undertake or incur any additional Liabilities or expenditure of any nature whatsoever, issue any additional guarantees, indemnities, letters of comfort or commitment either for themselves or on behalf of its respective affiliates or associates or any third party, in relation to the DMC Unit and GT Unit; or Encumber or otherwise deal with or dispose of or alter or expand any business or part thereof relating to the Demerged Undertakings.
- 12.3. With effect from the Appointed Date, all the profits or income accruing or arising to Demerged Company or expenditure, Liabilities or losses arising or incurred or suffered by Demerged Company, in relation to the DMC Unit and GT Unit, shall for all purposes be treated and be deemed to be accrued as the income or profits or losses or Liabilities



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or expenditure as the case may be of Resulting Company. All taxes (including Income Tax, Service Tax, Value Added Tax, GST etc.), paid or payable whether by way of deduction at source, advance tax or otherwise, by the Demerged Company, in respect of the profits or activities or operations of business relating to the Demerged Undertakings after the Appointed Date, shall be deemed to be paid or payable on behalf of Resulting Company and shall, in all proceedings, be dealt with accordingly.

12.4. The Demerged Company shall not vary the terms and conditions of any Contracts in relation to the Demerged Undertakings except in the ordinary course of business or with the prior consent of Resulting Company or pursuant to any pre-existing obligation undertaken by them, as the case may be.

12.5. The Demerged Company and Resulting Company shall be entitled, pending sanction of the Scheme, to apply to the appropriate Governmental Authorities as necessary under Applicable Law for such Permits which the Resulting Company may require to carry on the business of Demerged Undertakings of the Demerged Company and to give effect to the Scheme.

12.6. The Demerged Company in relation to the Demerged Undertakings shall not except in the ordinary course of business or with prior written consent of the Resulting Company: (a) waive, defer or release any rights that it may have against any person or any obligations that a person may have towards the Demerged Company; and/or (b) commence or settle any litigation, dispute or claim or admit any liability in any litigation, dispute or claim, as the case may be.

12.7. The Demerged Company with respect to the Demerged Undertakings shall not vary the terms and conditions of employment of any of its Employees without the written consent of the Resulting Company, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken by the Demerged Company.

12.8. If proceedings are instituted or continued against the Demerged Company in respect of matters relating to the Demerged Undertakings, it shall defend the same in accordance with the advice of the Resulting Company and at the cost of the Resulting Company, and the latter shall reimburse and indemnify the Demerged Company.



against all Liabilities and obligations incurred by the Demerged Company in respect thereof.

- 12.9 During the pendency of this Scheme, the Resulting Company and the Demerged Company (in relation to its businesses other than the DMC Unit and GT Unit) shall be free to carry on its business and undertake or pursue any transactions, do all such acts and deeds as may be necessary or expedient in its interests.

13. REMAINING BUSINESS

- 13.1 The Remaining Business of Demerged Company and all the Assets, Liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed and operated by Demerged Company.
- 13.2 All legal and other proceedings by or against Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted in future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business (including those relating to any Asset, right, power, Liability, obligation or duty of Demerged Company in respect of the Remaining Business), shall be continued and enforced by or against Demerged Company.
- 13.3 On and after the Effective Date, if proceedings are instituted against the Resulting Company in respect of the Remaining Business, it shall defend the same in accordance with the advice of the Demerged Company and at the cost of the Demerged Company, and the latter shall reimburse and indemnify the Resulting Company, against all Liabilities and obligations incurred by the Resulting Company in respect thereof.

14. LISTING OF NEW EQUITY SHARES OF THE RESULTING COMPANY

- 14.1 The New Equity Shares to be issued and allotted in terms of Clause 11 above, shall, in compliance with the requirement of Applicable Law, be listed and/or admitted to trading on the Stock exchange(s) where the existing equity shares of the Resulting Company are listed. The Resulting Company shall take all steps to get all the New Equity Shares issued pursuant to this Scheme, listed on the Stock Exchanges on which the equity shares of the Resulting Company are listed, in accordance with the provisions of Applicable Laws including in particular the LODR Regulations, SEBI



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Circular and other circulars, notifications and rules issued by SEBI from time to time and enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Laws for complying with the formalities of the Stock Exchange(s) where the existing equity shares of the Resulting Company are listed. On completion of formalities, such Stock Exchange(s) shall list and/or admit the New Equity Shares for the purpose of trading.

- 14.2. The Resulting Company shall, if and to the extent required, apply for and obtain any approvals from the concerned Governmental Authorities for the listing of the New Equity Shares issued to the shareholders of the Demerged Company under the Scheme.
- 14.3. Post listing of the New Equity Shares of the Resulting Company on the Stock Exchanges, it shall comply with the requirement of maintaining public shareholding of at least 25% in the Resulting Company or such other percentage of the minimum public shareholding within such timelines as may be prescribed by the Governmental Authority or under the Applicable Law from time to time.
- 14.4. Post listing of the shares of the Resulting Company on the Stock Exchanges, the shares allotted pursuant to this Scheme shall remain frozen in the depository system till the trading permission is granted by the Stock Exchanges.
- 14.5. There shall be no change in the shareholding pattern or control of the Resulting Company between the Record Date and date of listing of New Equity Shares of the Resulting Company on the Stock Exchanges which may affect the approvals to be obtained from the Stock Exchanges. The Resulting Company will not issue/ reissue any shares, not covered under the Scheme.

15. ACCOUNTING TREATMENT

- 15.1. The Demerged Company and the Resulting Company shall account for the Scheme in their respective books/financial statements in accordance with applicable Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, and generally accepted accounting principles in India as amended from time to time including as provided herein below:



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Aashima V. Khanna

15.2. Accounting treatment in the books of the Demerged Company:

15.2.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, the Demerged Company shall derecognize the carrying value of assets and liabilities pertaining to the Demerged Undertakings, transferred to and vested in the Resulting Company from the carrying value of assets and liabilities as appearing in its books.

15.2.2 Loans and advances, receivables, payables and other dues outstanding between the Demerged Company and the Resulting Company relating to the Demerged Undertakings will stand cancelled and there shall be no further obligation / outstanding in that behalf.

15.2.3 The excess/deficit if any, of the net assets transferred to the Resulting Company pursuant to Clause 15.2.1 and effect to elimination of balances as mentioned in Clause 15.2.2, shall be adjusted with the Retained Earnings of the Demerged Company.

15.3 Accounting treatment in the books of the Resulting Company:

15.3.1 The Resulting Company shall record the assets and liabilities pertaining to the Demerged Undertakings, transferred to and vested in it at their respective fair market value as on the Appointed Date.

15.3.2 Loans and advances, receivables, payables and other dues outstanding between the Demerged Company and the Resulting Company relating to the Demerged Undertakings will stand cancelled and there shall be no further obligation / outstanding in that behalf.

15.3.3 The Resulting Company shall credit to its share capital in its books of accounts the aggregate face value of New Equity Shares issued by it to the shareholders of the Demerged Company pursuant to Clause 11 of this Scheme. Resulting Company shall credit to its Securities Premium Account, the aggregate premium on New Equity Shares issued by it pursuant to Clause 11 of this Scheme. Securities Premium so created will be treated at par with any other Securities Premium existing in the books of the Transferee Company prior to this Scheme.



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Arunima V. Khanna

15.3.4 In case of any difference in accounting policy between the Demerged Company and the Resulting Company, the accounting policies followed by the Resulting Company shall prevail.

15.3.5. The excess/deficit if any, of the net assets transferred to the Resulting Company pursuant to Clause 15.3.1 after giving effect to Clause 15.3.2, Clause 15.3.3 and 15.3.4, shall be adjusted in Goodwill/Capital Reserve of the Resulting Company.

16. SAVING OF CONCLUDED TRANSACTIONS

16.1. Nothing in this Scheme shall affect any transaction or proceedings relating to the Demerged Undertakings already concluded on or after the Appointed Date till the Effective Date in accordance with this Scheme, to the end and intent that the Resulting Company shall accept and adopt all acts, deeds and things done and executed by Demerged Company in respect thereto as if done and executed on its behalf.

17. DIVIDENDS

17.1. During the pendency of the Scheme, Demerged Company and Resulting Company shall be entitled to declare and pay dividends, whether interim and/or final, to their members in respect of the accounting period prior to the Effective Date.

17.2. The shareholders of Demerged Company and Resulting Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective articles of association including the right to receive dividends.

17.3. In case of declaration/ payment of any dividend as contemplated above, the shareholders of the other company shall not have any express, implied or derivative right or claim to any dividend before, on or after this Scheme becoming effective whether on the basis of the fact that they have, deemed to have or ought to have also received such dividend, or otherwise.

17.4. On and from the Appointed Date, the profits of DMU Unit and GT Unit of Demerged Company for the period beginning from the Appointed Date shall belong to and be deemed to be the profits of Resulting Company and will be available to Resulting Company for being disposed of in any manner as it thinks fit.



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Asst. Manager

- 17.5 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of Demerged Company and Resulting Company to demand or claim any dividends which, subject to the provisions of the Act, as applicable, shall be entirely at the discretion of the Boards of Directors, subject to such approval of the members, as may be required.

18. FACILITATION PROVISIONS

- 18.1 Immediately upon the Scheme being effective, the Demerged Company and the Resulting Company may enter into necessary arrangements including brand licensing agreements, sub-contracting agreements, sub-licensing agreements, back to back agreements, wrong pocket arrangements and shared services agreements, as may be necessary, *inter alia* in relation to use by the Resulting Company of intellectual Property pertaining to the Demerged Undertakings, office space, infrastructure facilities, information technology services, Employees, tax, audit, finance, secretarial, human resource service, security personnel, legal, administrative and other services, etc. of the Demerged Company, and so as to give full effect to the provisions of this Scheme, each, on such terms and conditions that may be agreed between the Parties and on payment of consideration on an arm's length basis and which are in the ordinary course of business.
- 18.2. Further, if required the Demerged Company will provide office facility management services for the Resulting Company by continuing to work with property manager, landlord, lessor, as may be appropriate in line with the existing arrangement. Status quo for existing operations and services of the Demerged Company shall be maintained.
- 18.3. It is clarified that approval of the Scheme by the shareholders of the Resulting Company and Demerged Company under Sections 230 to 232 of the Act shall be deemed to have their approval under applicable provisions of the Act and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that no separate approval of the



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Asutima V. Sharma

Board and/or Audit Committee or shareholders shall be required to be sought by Resulting Company and Demerged Company.

19. PROPERTY IN TRUST

Notwithstanding anything contained in this Scheme, on and from the Appointed Date, until any Asset, Records, Intellectual Property, Permit, Contract, and rights and benefits arising therefrom are transferred, vested, recorded, effected and/or perfected, in the records of the appropriate Governmental Authority(ies) or otherwise, in favour of the Resulting Company, the Resulting Company is deemed to be authorized to enjoy such Assets, Records, Intellectual Property, Permit, Contract as if it were the owner of the Assets, Records, Intellectual Property or as if it were the original party to the Permit or Contract. It is clarified that till entry is made in the records of the appropriate Governmental Authority(ies) and till such time as may be mutually agreed by the Demerged Company and the Resulting Company, the Demerged Company will continue to hold the Assets, Records, Intellectual Property, Permit, Contract as the case may be in trust on behalf of the Resulting Company. It is further clarified that on the Effective Date, notwithstanding the Scheme being made effective, any asset/liability identified as part of the Demerged Undertaking and pending transfer due to the pendency of any approval/consent and/or sanction shall be held in trust by the Demerged Company for the Resulting Company. Immediately upon receipt of such Permit, such Asset and/or Liability forming part of the Demerged Undertakings shall without any further act/deed or consideration be transferred/vested in the Resulting Company, with all such benefits, obligations and rights with effect from the Appointed Date. All costs, payments and other liabilities that the Demerged Company shall be required to bear to give effect to this Clause 19 shall be borne solely by the Resulting Company and the Resulting Company shall reimburse and indemnify the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.

20. APPLICATION TO NCLT



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Aashima V Khanna

- 20.1. The Demerged Company and Resulting Company shall make all necessary applications to the Hon'ble NCIIT for seeking approval to the Scheme under sections 230 to 232 of the Act and other provisions of Applicable Law, if any, and shall apply for such approvals as may be required under Applicable Law.

21. MODIFICATION OR AMENDMENTS TO THE SCHEME

The Demerged Company and Resulting Company (through their respective Boards/ any Committee formed and/or authorised by the Board/ authorised personnel in relation to the Scheme), in their full and absolute discretion, jointly and as mutually agreed in writing may:

- 21.1. Assent to any alteration(s) or modification(s) to this Scheme including any schedules/ annexures to the Scheme which the Hon'ble NCIIT and/or any other Governmental Authority may deem fit to approve or impose, and/or effect any other modification or amendment jointly and mutually agreed in writing in compliance with Applicable Law for any reason whatsoever, and to do all acts, deeds and things as may be necessary, desirable or expedient for the purposes of this Scheme;
- 21.2. Give such directions (acting jointly) as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation hereof or in any matter whatsoever connected therewith; or
- 21.3. It is clarified that the approval of the shareholders of the Demerged Company and the Resulting Company to the Scheme shall include any subsequent modifications to the Scheme which may be undertaken by the Boards of Demerged Company and Resulting Company under this clause.

22. WITHDRAWAL OF THE SCHEME

- 22.1. The Demerged Company and the Resulting Company, acting through their respective Board of Directors shall each be at liberty to withdraw from this Scheme for any reason whatsoever or any condition or alteration imposed by any authority/ person including



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Aashwini V Khanna

if they are of the view that coming into effect of this Scheme could have adverse implications on the respective companies.

- 22.2. The Demerged Company and the Resulting Company, acting through their respective Board of Directors shall each be at liberty to withdraw from this Scheme in case any condition or alteration imposed by any Governmental Authority/person is unacceptable to any of them, in which case the Board of Directors of the other company shall decide consequent actions as considered appropriate by them.
- 22.3. The Demerged Company and/ or Resulting Company acting through their respective Boards shall each be at liberty to withdraw from this Scheme in case the Demerged Company or the Resulting Company is declared insolvent.
- 22.4. In the event of any of the conditions precedent referred to in Clause 23 are not obtained and/or the Scheme is not sanctioned by the NCLT or such other competent Governmental Authority by March 31, 2025 or within such further period or periods as may be agreed upon between Demerged Company and Resulting Company by their respective Board of Directors, this Scheme shall stand revoked, cancelled and be of no effect, and each Party shall bear and pay its respective costs, charges and expenses for and/or in connection with this Scheme. In the event of revocation/withdrawal of the Scheme under the Clauses above, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Demerged Company and the Resulting Company or their respective shareholders or creditors or employees or any other person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the Applicable Law and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

23. CONDITIONALITY OF THE SCHEME

Unless otherwise decided (or waived) by the relevant Parties, this Scheme is conditional upon and subject to the following:



A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text "DANISH SUGAR INDUSTRIES LIMITED" around the perimeter and "DANISH SUGAR INDUSTRIES LIMITED" in the center.

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A handwritten signature "Aashmina V Khanna" in blue ink is written over a circular blue stamp. The stamp contains the text "Danish Sugar and Industries Limited" around the perimeter and "Danish Sugar and Industries Limited" in the center.

- 23.1 Obtaining no-objection from the Stock Exchange(s) in relation to the Scheme under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 (as amended from time to time);
- 23.2 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective shareholders and/or creditors, if required, of the Parties, as may be directed by the NCLT or any other Governmental Authority as may be applicable;
- 23.3 The Demerged Company and Resulting Company complying with other provisions of the SEBI Circular, including seeking approval of its shareholders through e voting. The Scheme shall be acted upon only if the number of votes cast by public shareholders in favour of the proposal are more than the number of votes cast by public shareholders against it, in accordance with the SEBI Circular, subject to modification, if any, in accordance with any subsequent circulars and amendments that may be issued by SEBI from time to time. The term "public" shall carry the same meaning as defined under Rule 7 of Securities Contracts (Regulation) Rules, 1957,
-
- 23.4. The Scheme being sanctioned by the Chennai Bench of Hon'ble NCLT or any other authority under Sections 230-232 of the Act;
- 23.5. Obtaining the mandatory approval of the relevant Governmental Authority, as may be required.
- 23.6. Obtaining a certified copy of the Order of the Chennai Bench of the Hon'ble NCLT sanctioning the Scheme and filing the same with the Registrar of Companies, Chennai, by Demerged Company and Resulting Company; and
- 23.7 Any other matters expressly agreed as conditions precedent to the effectiveness of the Scheme as amongst the Parties in writing

Notwithstanding anything contained in sub clause 23.1 to sub clause 23.6 above, the Board of the Demerged Company and Resulting Company, in their discretion, may mutually decide to waive any of the conditions mentioned above, to the extent legally permissible.

24. COSTS, CHARGES & EXPENSES



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Unless otherwise agreed between the Parties, each company (i.e. the Demerged Company and Resulting Company) shall bear its own past, present and future costs, charges, taxes including duties, levies and all other expenses incurred or to be incurred in carrying out and implementing this Scheme or implementation thereof and matters incidental thereto.



Aashima V. Khanna



FORM NO. GNL-1[Pursuant to rule 12(2) of the Companies
(Registration offices and Fees) Rules,2014]**Form for filing an application with
Registrar of Companies****Form language** English Hindi**Note - All fields marked in * are to be mandatorily filled.**

1. * Category of applicant
2. * Name of office of the registrar of Companies (RoC) to which application is being made
3. (a) Corporate identity number (CIN) or foreign company registration number (FCRN) of the company or **RUN** reference number
(Service request number (SRN) of **RUN**)
- (b) Global location number (GLN) of company
4. (a) Name of the company
- (b) Address of the registered office or of the principal place of business in India of the Company
- (c) e-mail ID of the company

5. Details of applicant (in case category is others)

- (a) Name
- (b) Address
- (c) City
- (d) State
- (e) ISO country code
- (f) Country
- (g) Pin code
- (h) e-mail ID

6. * Application filed for

- Compounding of offences
- Extension of period of annual general meeting by three months
- Scheme of arrangement, amalgamation
- Others

7. If Others, then specify

8. *Details of application

In the matter of Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders and creditors under Section 230-232 of the Companies Act, 2013.

9. In case of application for compounding of offences, provide the following details

(a) Whether application for compounding offence is filed in respect of

Company Director Manager or Secretary or CEO or CFO Other

(b) Number of person(s) for whom the application is being filed

(c) Details of person(s) for whom the application is being filed

(i)	Category <input type="text"/>	Director identification number (DIN) or income-tax permanent account number (income-tax PAN) or passport number <input type="text"/>	<input type="button" value="Pre-fill"/>
	Name <input type="text"/>		
(ii)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	<input type="button" value="Pre-fill"/>
	Name <input type="text"/>		
(iii)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	<input type="button" value="Pre-fill"/>
	Name <input type="text"/>		
(iv)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	<input type="button" value="Pre-fill"/>
	Name <input type="text"/>		
(v)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	<input type="button" value="Pre-fill"/>
	Name <input type="text"/>		
(vi)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	<input type="button" value="Pre-fill"/>
	Name <input type="text"/>		
(vii)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	<input type="button" value="Pre-fill"/>
	Name <input type="text"/>		
(viii)	Category <input type="text"/>	DIN or income-tax PAN or passport number <input type="text"/>	<input type="button" value="Pre-fill"/>
	Name <input type="text"/>		

(d) Whether application is being filed

Suo-motu In pursuance to notice received from RoC or any other competent authority

(e) Notice number and date of notice

(f) Section for which application is being filed

(g) Brief particulars as to how the default has been made good

10. In case of application is made for extension of period of an AGM, mention financial (DD/MM/YYYY)
year end date in respect of which the application is being filed

11.(a) Service request number of Form MGT-14

(b) Date of passing special or ordinary resolution (DD/MM/YYYY)

(c) Date of filing form MGT-14 (DD/MM/YYYY)

12. Total amount of stamp duty paid or stamp paper

Attachments

List of attachments

- 1. Board Resolution
- 2. Scheme of arrangement, amalgamation
- 3. *Detailed application
- 4. Copy of notice received from RoC or any other competent authority
- 5. Other attachments - if any

Attach

Attach

Attach

Attach

Attach

NCLT Order 20122024.pdf
 Board Resolution.pdf
 Revised Scheme of Arrangement22424.pdf
 Detailed application DBRL_DBSIL.pdf

Remove Attachment

Verification

To the best of my knowledge and belief, the information given in this application and its attachments is correct and complete.

- I have been authorised by the Board of directors' resolution number dated (DD/MM/YYYY) to sign and submit this application.
- I am duly authorised to sign and submit this form.

To be Digitally signed by

Managing Director or director or manager or secretary or CEO or CFO (in case of an Indian company or an authorised representative (in case of a foreign company) or other)



Designation

DIN of the director or Managing Director or; income-tax PAN of the manager or authorised representative; or CEO or CFO Membership number

Certificate by practicing professional

I declare that I have been duly engaged for the purpose of certification of this form. It is hereby certified that I have gone through the provisions of the Companies Act, 2013 and rules thereunder for the subject matter of this form and matters incidental thereto and I have verified the above particulars (including attachment(s)) from the original/certified records maintained by the Company/ applicant which is subject matter of this form and found them to be true, correct and complete and no information material to this form has been suppressed. I further certify that:

- i. The said records have been properly prepared, signed by the required officers of the Company and maintained as per the relevant provisions of the Companies Act, 2013 and were found to be in order ;
- ii. All the required attachments have been completely and legibly attached to this form

To be digitally signed by



- Chartered accountant (in whole-time practice) or Cost accountant (in whole-time practice) or
- Company secretary (in whole-time practice)
- Whether associate or fellow Associate Fellow

Membership number

Certificate of practice number

Note: Attention is also drawn to provisions of Section 447, section 448 and 449 of the Companies Act, 2013 which provide for punishment for fraud, punishment for false statement and punishment for false evidence respectively

Modify Check Form Prescrutiny Submit

For office use only:

eForm Service request number (SRN) eForm filing date (DD/MM/YYYY)

Digital signature of the authorising officer

This e-Form is hereby approved

This e-Form is hereby rejected

Confirm submission

Date of signing (DD/MM/YYYY)

MINISTRY OF CORPORATE AFFAIRS
ACKNOWLEDGEMENT

SRN : N25228867

Service Request Date : 25/12/2024

Received From :

Name : VIKAS GERA AND ASSOCIATES

Address : 417, 4th Floor, Suneja Tower I

District Center, Janakpuri

Delhi, Delhi

IN - 110058

Entity on whose behalf money is paid

CIN: L15100TN1951PLC000640

Name : DALMIA BHARAT SUGAR AND INDUSTRIES LIMITED

Address : DALMIAPURAM

TIRUCHIRAPALLI DIST

TIRUCHIRAPALLI, Tamil Nadu

India - 621651

Full Particulars of Remittance

Service Type: eFiling

Service Description

Fee For Form GNL-1

Note: The defects or incompleteness in any respect in this eForm as noticed shall be placed on the Ministry's website (www.mca.gov.in). In case the eForm is marked as RSUB or PUCL, please resubmit the eForm or file Form GNL-4(Addendum), respectively. Please track the status of your transaction at all times till it is finally disposed off. (Please refer Rule 10 of the Companies (Registration offices and Fees) Rules, 2014) It is compulsory to file Form GNL-4 (Addendum) electronically within the due date whenever the document is put under PUCL, failing which the system will treat the document as invalid and will not be taken on record in accordance with Rule 10(4) of the Companies (Registration offices and Fees) Rules, 2014


NSBP & CO.
CHARTERED ACCOUNTANTS

Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
 The Board of Directors
 Dalmia Bharat Sugar and Industries Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Dalmia Bharat Sugar and Industries Limited (the "Company") for the quarter ended September 30, 2024 and year to date period from April 01, 2024 to September 30, 2024 (the "Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended thereafter (the "Listing Regulations").
2. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For NSBP & Co.
 Chartered Accountants
 Firm Registration Number: 001075N


Subodh Modi
 Partner
 Membership Number: 093684
 UDIN: 24093684BKEPLG6708



Place: New Delhi
 Date: October 28, 2024

Page 1 of 1

Statement of unaudited standalone financial results for the quarter and half year ended 30-09-2024							
S.No.	Particulars	For the quarter ended			For the period ended		For the year ended
		30-09-2024	30-06-2024	30-09-2023	30-09-2024	30-09-2023	31-03-2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(i) Revenue From Operations	923.33	948.75	731.85	1,872.88	1,565.74	2,898.90
	(ii) Other Income	18.15	18.12	55.65	37.34	64.88	107.19
	Total Income (1+ii)	941.48	966.87	787.50	1,910.22	1,630.62	3,006.09
2	Expenses						
	(a) Cost of materials consumed	124.86	346.82	100.84	471.68	519.54	2,620.25
	(b) Purchase of finished goods	-	-	-	-	-	-
	(c) Change in inventories of finished goods, traded goods and work-in-progress	902.32	388.85	442.24	972.17	628.38	(652.94)
	(d) Employee benefits expense	57.03	47.47	48.05	105.11	83.38	203.35
	(e) Finance Cost	11.60	25.99	16.38	37.83	28.25	50.93
	(f) Depreciation and amortisation expense	31.78	25.01	30.74	87.89	61.30	126.74
	(g) Other Expenditure	68.81	88.31	73.63	138.11	142.58	258.95
	Total Expenses	897.06	884.92	713.48	1,781.58	1,469.39	2,643.42
3	Profit (Loss) before Exceptional Items and Tax from operations (1-2)	45.42	82.02	74.02	127.44	161.23	362.66
4	Exceptional Items	-	-	-	-	-	-
5	Profit (Loss) before Tax from operations (3-4)	45.42	82.02	74.02	127.44	161.23	362.66
6	Tax Expense -						
	(i) Current Tax	12.88	21.81	21.54	33.88	46.31	50.61
	(ii) Deferred Tax	(49.87)	(1.64)	(2.42)	(41.37)	(1.32)	(2.67)
	Total Tax Expense	(36.99)	20.17	19.12	(8.49)	44.99	47.94
7	Net Profit (Loss) for the period/year from operations (5-6)	79.71	61.79	54.90	135.44	116.24	271.72
8	Other Comprehensive Income (OCI)						
	(i) Items that will not be reclassified to profit or loss	37.71	(41.00)	79.28	(2.37)	139.61	(7.70)
	(ii) Income Tax relating to items that will not be reclassified to profit or loss	(9.16)	4.81	(8.68)	(4.34)	(16.05)	1.02
	(iii) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(iv) Income Tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Other Comprehensive Income for the period/year	28.55	(36.19)	69.71	(7.88)	123.56	(6.68)
9	Total Comprehensive Income for the period/year (7+8)	108.26	25.60	124.61	127.56	239.80	265.04
10	Paid-up Equity Share Capital-Face Value Rs. 2/- each	16.18	16.18	16.18	16.18	16.18	16.18
11	Other Equity	3,532.99	2,940.83	2,920.45	3,532.99	2,920.45	2,915.29
12	Earnings Per Share from operations (not annualised)						
	Basic before and after Extraordinary Items (Rs. 1/Face value of Rs.2/- each)	6.51	7.63	6.78	16.74	14.38	33.67
	Diluted before and after Extraordinary Items (Rs. 1/Face value of Rs.2/- each)	6.51	7.63	6.78	16.74	14.38	33.67

Reporting on Segment Wise Revenues, Results, Assets & Liabilities
 Under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(Rs. in Crores)							
S.No.	Particulars	For the quarter ended			For the period ended		For the year ended
		30-09-2024	30-06-2024	30-09-2023	30-09-2024	30-09-2023	31-03-2024
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenues						
	(a) Sugar	684.69	737.35	828.77	1,421.63	1,393.68	2,333.20
	(b) Distillery	253.34	281.14	287.59	534.48	652.23	1,093.34
	(c) Others	8.19	10.30	8.30	18.50	16.59	34.42
	Total	946.22	1,028.79	826.66	1,984.61	1,078.50	3,460.96
	Less: Inter Segment Revenue	33.79	80.04	34.81	112.85	252.70	987.15
	Net Segment Revenue from operations	912.43	948.75	791.85	1,871.76	1,565.74	2,690.89
	Revenue from exports	-	-	-	-	0.52	0.52
2	Segment Results						
	(a) Sugar	42.88	88.39	1.86	121.68	41.16	223.42
	(b) Distillery	11.97	18.88	44.59	30.88	109.92	153.95
	(c) Others	2.43	0.70	39.15	8.12	38.38	35.28
	Total	57.28	107.97	94.40	160.68	189.46	412.75
	Less: Interest and Financial Charges	11.86	26.86	19.38	37.62	26.25	50.09
	Less: Exceptional Items	-	-	-	-	-	-
	Profit before Tax from operations	45.42	82.02	74.02	127.44	161.23	362.66
3a)	Segment Assets						
	(a) Sugar	1,781.39	2,298.18	1,242.08	1,781.39	1,242.08	2,802.08
	(b) Distillery	670.81	619.58	705.71	670.81	705.71	852.14
	(c) Others	532.48	521.51	545.31	532.48	545.31	532.99
	(d) Unallocable	896.80	862.85	1,405.23	896.80	1,405.83	1,166.45
	Total	3,881.48	4,311.12	3,898.33	3,881.48	3,899.03	5,353.66
3b)	Segment Liabilities						
	(a) Sugar	156.85	669.73	234.35	156.85	234.35	1,518.83
	(b) Distillery	494.00	412.01	413.95	494.00	413.16	421.77
	(c) Others	30.71	31.40	32.90	30.71	32.84	31.88
	(d) Unallocable	290.38	240.97	281.98	290.38	281.88	247.15
	Total	971.94	1,354.11	963.18	971.94	962.23	2,220.63



Standalone Balance Sheet as at September 30,2024

Standalone Statement of Assets & Liabilities

Particulars	As at	
	30-09-2024	31-03-2024
	Unaudited	Audited
ASSETS		
A) Non-current assets		
a) Property, plant and equipment	1,756.54	1,806.54
b) Capital work - in - progress	50.73	9.37
c) Intangible assets	0.32	0.04
d) Financial assets		
i) Investments	676.16	678.97
ii) Trade receivables	3.07	3.07
iii) Loans	-	0.01
iv) Others	4.70	5.02
e) Income tax assets (net)	36.59	36.59
f) Other non-current assets	16.45	21.37
	2,544.56	2,560.98
B) Current assets		
a) Inventories	681.08	1,758.56
b) Financial Assets		
i) Investments	30.02	-
ii) Trade receivables	154.88	119.96
iii) Cash and cash equivalents	44.16	468.65
iv) Bank Balances other than (iii) above	296.02	59.16
v) Loans	171.66	115.61
vi) Others	25.55	29.40
c) Other current assets	33.55	42.90
	1,436.92	2,591.24
Total Assets	3,981.48	5,152.22
EQUITY & LIABILITIES		
A) Equity		
a) Equity share capital	16.19	16.19
b) Other equity	3,032.99	2,915.29
	3,049.18	2,931.48
B) Liabilities		
Non-current liabilities		
a) Financial liabilities		
i) Borrowings	313.20	337.76
ii) Others	-	-
b) Provisions	48.52	43.16
c) Deferred tax liabilities (Net)	210.29	247.85
d) Other non current liabilities	0.12	0.81
	570.13	629.60
Current liabilities		
a) Financial liabilities		
i) Borrowings	50.03	1,092.39
ii) Trade payables		
Due to micro small and medium enterprises	1.15	1.50
Due to others	147.27	374.22
iii) Other	60.78	85.43
b) Other current liabilities	53.73	31.38
c) Income Tax liabilities(Net)	40.92	-
d) Provisions	8.29	6.24
	362.17	1,591.14
Total Equity & Liabilities	3,981.48	5,152.22



	Particulars	For the half year ended	For the half year ended
		Sept 30, 2024	Sept 30, 2023
		Unaudited	Unaudited
A.	Cash Flow from Operating Activities		
	Profit Before Tax	127.44	101.23
	Adjustments for Non-cash and Non-operating Items:		
	Add:-		
	Depreciation / Amortization	57.29	61.30
	Bad Debts/ Advances written off	0.00	0.04
	Finance Cost	37.62	28.25
	Less:-		
	Dividend Income	(1.60)	(1.60)
	Interest Income	(14.37)	(7.93)
	Provision for doubtful debts written back	-	(0.39)
	Provision for Non moving inventory written back	-	0.00
	(Profit)/Loss on sale of investments	(0.35)	(2.62)
	(Profit)/Loss on sale of property, plant & equipment and Assets written off	(0.00)	0.10
	Grant amortized	(9.24)	(7.69)
	Operating Profit before working Capital Changes	196.79	228.49
	Adjustments for working Capital changes :		
	Inventories	1074.48	673.43
	Trade and Other Payables	(225.36)	(130.21)
	Trade and Other Receivables	(300.14)	(585.77)
	Cash Generated from Operations	745.77	185.94
	Direct Taxes (Paid)/Refund	7.04	(38.95)
	Net Cash generated from Operating activities	752.81	146.99
B.	Cash Flow from Investing Activities		
	Purchase of property, plant and equipment	(48.82)	(188.79)
	(Purchase)/Sale of Investments (net)	(28.67)	61.28
	Interest Received	14.37	7.93
	Dividend Received from Non Current Investments	1.60	1.60
	Net Cash used in Investing Activities	(62.62)	(117.98)
C.	Cash Flow from Financing Activities		
	Proceeds/(Repayment) of Short term Borrowings (net)	(1042.37)	(60.45)
	Proceeds/(Repayment) of Long term Borrowings (net)	(24.58)	25.78
	Finance Cost	(37.62)	(11.66)
	Dividend Paid	(10.11)	(8.09)
	Net cash used in financing activities	(1114.68)	(54.44)
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	(424.49)	(25.43)
	Cash and cash equivalents at the beginning of the year	465.65	65.79
	Cash and cash equivalents at the end of the period	44.16	40.36



Notes:-


1. The standalone financial results are approved by the Board of Directors at their meeting held on October 28, 2024 after being reviewed and recommended by the audit committee. The statutory auditors have carried limited review of these standalone financial results.
2. The standalone financial results of the company have been prepared in accordance with Indian Accounting Standards as prescribed under section 133 of Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules, 2015 and relevant amendment rules there after.
3. The standalone financial results of the company have been prepared in accordance with the recognition and measurement principles laid down in Ind AS-34 "Interim Financial reporting".
4. Due to seasonal nature of the industry, the standalone financial results for any quarter may not be true and appropriate reflection of the annual profitability of the company.
5. Due to reduction in long term capital gains tax rate from 20% to 12.5%, the company has booked reversal of deferred tax liability in the quarter ended September 30, 2024. Gain of Rs. 30.52 Crores is included under the head deferred tax expenses in quarter and half year ended September 30, 2024.
6. Segment Revenue, Results, Assets and Liabilities represent amounts identifiable to each of the segments. Unallocable assets include corporate investments, income tax assets, fixed deposit and unallocable liabilities include deferred tax liability and income tax provisions.
7. Previous periods' figures have been regrouped/reclassified, wherever considered necessary to make them comparable with the figures of the current reporting periods.
8. The standalone financial results of the company are also available on stock exchange websites, www.seindia.com, www.bseindia.com and on the company website www.dalmeasugar.com.

Place: - New Delhi
Date: October 28, 2024



For Dalmea Bharat Sugar and Industries Limited




Pankaj Rastogi
Whole Time Director & CEO

Independent Auditor's Review Report on Quarterly Unaudited Consolidated Financial Results of the Company, Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

**Review Report to
The Board of Directors
Dalmia Bharat Sugar and Industries Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Dalmia Bharat Sugar and Industries Limited (the "Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), for the quarter ended September 30, 2024 and year to date period from April 01, 2024 to September 30, 2024 ('the Statement'), being submitted by the Holding Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended thereafter (The "Listing Regulations").
2. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" (Ind AS 34) prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended to date, to the extent applicable.

4. This Statement includes the result of below mentioned entity:

- Baghauli Sugar & Distillery Limited



5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For NSBP & Co.

Chartered Accountants

Firm Registration Number: 001075N



Subodh Modi

Partner

Membership Number: 093684

UDIN: 246936848 K E DLH 2378



Place: New Delhi

Date: October 28, 2024

Statement of unaudited consolidated financial results for the quarter and half year ended 30-09-2024							
S.No.	Particulars	For the quarter ended :			For the period ended :		For the year ended
		30-09-2024	30-06-2024	30-09-2023	30-09-2024	30-09-2023	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	
1	Income						
	I. Revenue From Operations	929.39	982.24	731.85	1886.81	1585.74	2093.77
	II. Other Income	15.68	15.57	55.65	31.51	64.89	129.41
	Total Income (I+II)	942.37	997.81	787.50	1918.32	1650.63	2223.18
2	Expenses						
	(a) Cost of materials consumed	127.76	148.83	100.54	474.51	519.54	2535.10
	(b) Purchase of traded goods	-	-	-	-	-	-
	(c) Change in inventories of finished goods, traded goods and work-in-progress	665.12	381.13	482.24	986.21	626.36	(969.63)
	(d) Employee benefits expense	88.51	48.24	49.81	186.81	82.30	201.63
	(e) Finance Cost	11.85	25.58	16.33	37.81	26.25	50.82
	(f) Depreciation and amortisation expense	25.89	25.81	30.71	67.81	61.30	129.84
	(g) Other Expenses	69.45	72.73	74.63	148.21	142.59	319.82
	Total Expenses	884.48	827.83	712.45	1859.29	1468.29	2054.87
3	Profit/(Loss) before Exceptional Items and Tax from operations (1-2)	77.89	170.98	75.05	112.91	181.23	368.31
4	Exceptional Items	-	-	-	-	-	-
5	Profit/(Loss) before Tax from operations (3-4)	77.89	170.98	75.05	112.91	181.23	368.31
6	Tax Expense:						
	(i) Current Tax	12.88	21.81	21.54	33.81	46.31	89.61
	(ii) Deferred Tax	(48.37)	(1.52)	(2.42)	(41.97)	(1.32)	(2.82)
	Total Tax Expense	(35.49)	20.29	19.12	(8.16)	44.99	86.79
7	Net Profit/(Loss) for the period/year from operations (5-6)	66.18	150.77	55.93	104.75	136.24	281.52
8	Other Comprehensive Income (OCI)						
	(i) Items that will not be reclassified to profit or loss	37.71	(41.63)	76.39	(3.31)	139.61	(7.83)
	(ii) Income Tax relating to items that will not be reclassified to profit or loss	(8.15)	(4.8)	(5.68)	(4.34)	(16.05)	(1.62)
	(iii) Items that will be reclassified to profit or loss	-	-	-	-	-	-
	(iv) Income Tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
	Other Comprehensive Income for the period/year	29.56	(46.43)	70.71	(7.65)	123.56	(9.45)
9	Total Comprehensive Income for the period/year (7+8)	95.74	104.34	126.64	97.10	259.80	272.07
10	Payable Equity Share Capital/Face Value Rs. 2/- each	16.18	16.18	16.18	16.18	16.18	16.18
11	Other Equity	2919.14	2934.43	2930.42	3019.14	2920.42	2919.17
12	Earnings Per Share from operations (not annualised)						
	Basic before and after Extraordinary Items (Rs. 2/- Face value of Rs. 2/- each)	8.18	8.74	8.78	14.91	14.38	33.64
	Diluted before and after Extraordinary Items (Rs. 2/- Face value of Rs. 2/- each)	8.18	8.78	8.78	14.91	14.38	33.64

Reporting on Segment Wise Revenue, Results, Assets & Liabilities
 Under Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

S.No.	Particulars	For the quarter ended			For the period ended		For the year ended
		30-09-2024	30-06-2024	30-09-2023	30-09-2024	30-09-2023	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	
1	Segment Revenue						
	(a) Sugar	897.84	769.88	525.77	1,488.87	1,189.88	2,333.77
	(b) Distillery	283.34	205.14	287.08	834.48	682.23	1,098.34
	(c) Others	8.19	10.33	5.30	18.48	16.89	34.42
	Total	989.37	1,045.35	818.15	2,341.83	1,889.00	3,466.53
	Less: Inter Segment Revenue	(32.78)	(80.04)	(64.61)	(112.81)	(252.76)	(587.98)
	Net Segment Revenue from operations	956.59	965.31	753.54	2,229.02	1,636.24	2,878.55
	Revenue from exports	-	-	-	-	0.62	0.62
2	Segment Results						
	(a) Sugar	41.39	81.97	5.86	182.71	41.18	224.17
	(b) Distillery	11.85	16.89	45.28	39.87	199.02	153.85
	(c) Others	(2.85)	(0.79)	38.11	(3.11)	36.36	30.28
	Total	49.39	97.97	49.25	219.47	376.56	408.30
	Less: Interest and Financial Charges	(11.85)	(25.96)	(16.33)	(37.81)	(26.25)	(50.82)
	Less: Exceptional Items	-	-	-	-	-	-
	Profit before Tax from operations	37.54	72.01	32.92	181.66	350.31	357.48
3a)	Segment Assets						
	(a) Sugar	1,864.83	2,164.28	1,242.08	1,854.83	1,242.08	2,670.82
	(b) Distillery	794.82	842.79	735.71	794.82	735.71	975.35
	(c) Others	832.48	837.61	845.31	832.48	845.31	532.89
	(d) Unallocable	784.67	470.82	1,432.83	784.47	1,432.92	983.68
	Total	3,976.80	4,315.49	3,855.93	3,976.60	3,855.02	5,162.74
3b)	Segment Liabilities						
	(a) Sugar	164.73	674.09	234.33	454.71	234.33	1,545.64
	(b) Distillery	484.89	412.01	413.18	484.89	413.18	425.77
	(c) Others	36.71	31.46	39.66	39.71	32.60	31.88
	(d) Unallocable	250.73	240.95	291.86	250.73	281.86	230.59
	Total	937.16	1,358.51	979.03	1,229.13	962.97	2,233.88



Consolidated Balance Sheet as at Sept 30, 2024		
Statement of Assets & Liabilities		
Particulars	As at	
	30-09-2024	31-03-2024
	Unaudited	Audited
ASSETS		
A) Non-current assets		
a) Property, plant and equipment	1,781.88	1,827.95
b) Capital work - In - progress	198.82	132.65
c) Goodwill	18.68	18.68
d) Intangible assets	0.32	0.04
e) Financial assets		
i) Investments	626.16	628.97
ii) Trade receivables	3.07	3.07
iii) Loans	-	0.01
iv) Others	4.88	5.04
f) Income tax assets (net)	36.60	36.60
g) Other non-current assets	16.60	21.38
	2,686.81	2,674.39
B) Current assets		
a) Inventories	684.77	1,773.02
b) Financial Assets		
i) Investments	30.02	-
ii) Trade receivables	154.86	119.97
iii) Cash and cash equivalents	45.03	470.64
iv) Bank Balances other than (ii) above	296.02	59.55
v) Loans	0.66	0.81
vi) Others	25.60	29.41
c) Other current assets	51.71	34.55
	1,288.69	2,487.75
Total Assets	3,975.50	5,162.14
EQUITY & LIABILITIES		
A) Equity		
a) Equity share capital	16.19	16.19
b) Other equity	3,019.14	2,915.97
	3,035.33	2,932.16
B) Liabilities		
Non-current liabilities		
a) Financial liabilities		
i) Borrowings	313.20	337.78
ii) Others	-	-
b) Provisions	46.71	43.31
c) Deferred tax liabilities (Net)	210.29	247.85
d) Other non-current liabilities	0.11	0.81
	570.31	629.75
Current liabilities		
a) Financial liabilities		
i) Borrowings	60.03	1,092.39
ii) Trade payables		
Due to micro small and medium enterprises	1.15	1.50
Due to others	163.63	381.78
iii) Other	61.79	86.73
b) Other current liabilities	53.99	31.55
c) Income Tax liabilities(Net)	40.92	-
d) Provisions	8.35	6.28
	369.86	1,600.23
Total Equity & Liabilities	3,975.50	5,162.14



	Particulars	For the half year ended Sept 30, 2024	For the half year ended Sept 30, 2023
		Unaudited	Unaudited
A.	Cash Flow from Operating Activities		
	Profit Before Tax	112.91	161.23
	Adjustments for Non-cash and Non-operating items:-		
	<u>Add:-</u>		
	Depreciation / Amortization	57.81	61.30
	Bad Debts/ Advances written off	0.00	0.04
	Finance Cost	37.62	26.25
	<u>Less:-</u>		
	Dividend Income	(1.60)	(1.60)
	Interest Income	(14.37)	(7.93)
	Provision for doubtful debts written back	-	(0.39)
	Provision for Non moving inventory written back	-	0.00
	(Profit)/Loss on sale of Investments	(0.36)	(2.62)
	(Profit)/Loss on sale of property, plant & equipment and Assets written off	(0.00)	0.10
	Grant amortized	(9.24)	(7.69)
	Operating Profit before working Capital Changes	162.78	228.49
	Adjustments for working Capital changes :		
	Inventories	1088.25	673.43
	Trade and Other Payables	(243.27)	(130.21)
	Trade and Other Receivables	(254.03)	(585.77)
	Cash Generated from Operations	773.73	185.94
	Direct Taxes (Paid)/Refund	7.04	(38.95)
	Net Cash generated from Operating activities	780.77	146.99
B.	Cash Flow from Investing Activities		
	Purchase of property, plant and equipment	(78.00)	(188.79)
	(Purchase)/Sale of Investments (net)	(29.67)	61.28
	Interest Received	14.37	7.00
	Dividend Received from Non Current Investments	1.60	1.60
	Net Cash used in Investing Activities	(91.70)	(117.96)
C.	Cash Flow from Financing Activities		
	Proceeds/(Repayment) of Short term Borrowings (net)	(1042.37)	(80.45)
	Proceeds/(Repayment) of Long term Borrowings (net)	(24.58)	26.76
	Finance Cost	(37.62)	(11.66)
	Dividend Paid	(10.11)	(8.09)
	Net cash used in financing activities	(1114.68)	(54.44)
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	(425.61)	(25.43)
	Cash and cash equivalents at the beginning of the year	470.64	65.79
	Cash and cash equivalents at the end of the period	45.03	40.36



Notes:-

- The consolidated financial results are approved by the Board of Directors at their meeting held on October 28, 2024 after being reviewed and recommended by the audit committee. The statutory auditors have carried limited review of these consolidated financial results.
- The consolidated financial results of the holding company have been prepared in accordance with Indian Accounting Standards as prescribed under section 133 of Companies Act, 2013 read with companies (Indian Accounting Standard) Rules, 2015 and relevant amendment rules there after.
- The consolidated financial results for the quarter and half year ended September 30, 2024, have been prepared in accordance with the recognition and measurement principles set down in Ind AS 32 "Income Financial reporting".
- Key statistical financial information of the company is given below:

Particulars:	For the quarter ended			For the period ended		For the year ended
	30-09-2024	30-06-2024	30-09-2023	30-09-2024	30-09-2023	31-03-2024
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Revenue from operations	928.33	948.75	731.25	1,872.08	1,565.74	2,355.89
Profit/(Loss) before Tax	45.42	82.02	74.02	127.44	181.25	162.65
Net Profit/(Loss) for the period	73.71	81.75	54.60	135.44	119.24	271.72
Other Comprehensive Income for the period	36.86	(36.21)	99.71	(7.85)	123.56	(6.74)
Total Comprehensive Income for the period	110.57	45.54	154.31	127.59	242.80	265.08

- Due to seasonal nature of the industry, the consolidated financial results for any quarter may not be true and appropriate reflection of the annual profitability of the company.
- Due to reduction in long term capital gain tax rate from 20% to 12.5%, the holding company has booked reversal of deferred tax liability in the quarter ended September 30, 2024. Gain of Rs. 35.62 Crores is included under the head deferred tax expense in quarter and half year ended September 30, 2024.
- Segment Revenue, Results, Assets and Liabilities represent amounts identifiable to each of the segments. Unallocable assets include corporate investments, income tax assets, fixed deposit and unallocable liabilities include deferred tax liability and income tax provisions.
- Previous periods' figures have been regrouped/reclassified, wherever considered necessary to make them comparable with the figures of the current reporting periods.
- The consolidated financial results of the company are also available on stock exchange websites, www.nseindia.com, www.bseindia.com and on the company website www.dalmeagor.com.

Place:- New Delhi
Date: October 28, 2024



Pankaj Rajop
Whole Time Director & CEO

Independent Auditor's Review Report on Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

**The Board of Directors of
Dalmia Bharat Refractories Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Dalmia Bharat Refractories Limited ("the Company") for the quarter and half year ended 30th September, 2024, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulation"), as amended.

Management Responsibility

2. This statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS 34) as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the statement based on our review.

Auditor's Responsibility

3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as whether the statement is free of material misstatement. A review is to inquiries of Company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



Conclusion

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results, prepared in accordance with the applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Chaturvedi & Shah LLP
Chartered Accountants
Registration No. 101720W/ W100355

Vijay Napawaliya

Vijay Napawaliya
Partner
Membership No. 109859
UDIN: 24109859BKFCMG1781



Place: Mumbai
Date: 13th November, 2024

DALMIA BHARAT REFRACTORIES LIMITED

CIN: L26100TN2006PLC061254

Regd. Office : DALMIAPURAM, P.O. KALLAKUDI - 621651, DIST. TIRUCHIRAPPALLI, TAMIL NADU

Phone: 911123457100, Website: www.dalmiaind.com

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2024

(₹ in crore)

S.No	Particulars	Quarter Ended		Half Yearly		Year Ended
		Sep 30, 2024	Jun 30, 2024	Sep 30, 2023	Sep 30, 2024	
		Unaudited	Unaudited	Restated*	Unaudited	Audited
	CONTINUING OPERATION					
	INCOME					
I	Income from operations	9.90	10.61	7.17	20.51	27.35
II	Other income	22.49	18.17	10.86	40.66	20.90
III	Total Income (I+II)	32.39	28.78	18.03	61.17	48.25
	EXPENSES					
	Cost of materials consumed	5.62	4.77	-	10.39	-
	Purchase of stock-in-trade	0.60	0.95	0.15	1.55	6.23
	Change in inventories of finished goods and work-in-progress	0.40	0.06	3.20	0.46	9.64
	Employee benefits expense	3.37	2.76	2.65	6.13	4.55
	Finance Cost	18.08	17.74	0.02	35.82	0.04
	Depreciation and amortisation	4.40	4.67	5.26	9.07	10.85
	Other Expenditure	6.90	6.07	6.93	10.97	13.75
	Total Expenses (IV)	37.37	37.02	18.21	74.39	45.06
V	Profit / (Loss) before tax from Continuing Operation (III-IV)	(4.98)	(8.24)	(0.18)	(13.22)	(3.19)
VI	Exceptional items (Refer note 4)	-	-	-	-	29.24
VII	Profit / (Loss) after exceptional items and before tax from Continuing Operation	(4.98)	(8.24)	(0.18)	(13.22)	14.75
VIII	Tax Expense					
	Current tax	-	-	-	-	-
	Deferred tax	0.11	(0.02)	(39.33)	0.09	(37.72)
	Tax adjustments for earlier years	-	-	-	-	2.50
	Total Tax Expenses from Continuing Operation (VII)	0.11	(0.02)	(39.33)	0.09	(37.72)
IX	Net Profit / (Loss) for the period/ year from Continuing Operation (VII-VIII)	(5.09)	(8.22)	(39.15)	(13.31)	5.08
X	Discontinued Operation (Refer Note - 2)					
	Profit / (Loss) before tax from Discontinued Operation	(0.48)	0.08	0.29	(0.40)	(0.10)
	Tax expense / (credit) on Discontinued Operation	(0.12)	0.02	0.04	(0.10)	(0.07)
	Net Profit / (Loss) for the period/ year from Discontinued Operation	(0.36)	0.06	0.25	(0.40)	(0.13)



DALMIA BHARAT REFRACATORIES LIMITED
 CIN: L26100TN2006PLC061254
 Regd. Office : DALMIAPURAM, P.O. KALLAKUDI - 621651, DIST. TIRUCHIRAPALLI, TAMIL NADU
 Phone: 91 11 23457100. Website: www.dalmiacl.com

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2024

(₹ in crore)

S. No	Particulars	Quarter Ended			Half Year Ended		Year Ended Mar 31, 2024 Audited
		Sep 30, 2024 Unaudited	Jan 30, 2024 Unaudited	Sep 30, 2023 Restated*	Sep 30, 2024 Unaudited	Sep 30, 2023 Restated*	
XI	Other Comprehensive Income (OCI) (Including Discontinued Operation)						
	Items that will not be reclassified to profit or loss						
	(i) Fair Value of Equity Instruments	(45.13)	197.34	207.66	152.21	343.35	(230.25)
	(ii) Income tax relating to Investment	-	-	(48.43)	-	(57.42)	3.00
	(iii) Re-measurement of Defined Benefit Plans	0.04	(0.01)	(0.30)	0.03	0.15	(6.10)
	(iv) Income tax relating to re-measurement of Defined Benefit Obligation	(0.01)	-	0.07	(0.01)	(0.04)	6.03
	Items that will be reclassified to profit or loss						
	(i) Fair Value of Debt Instruments	-	(1.59)	-	(1.50)	-	(8.25)
	(ii) Income tax relating to Investment in Debt Instruments	-	-	-	-	-	-
	Total Other Comprehensive Income	(45.10)	195.83	239.00	350.73	366.04	(225.57)
XII	Total Comprehensive Income for the period/ year (IX+X+XI)	(56.55)	187.67	278.40	237.12	356.06	(184.15)
XIII	Paid-up equity share capital (Face Value Per Share ₹ 10/-)	44.20	44.20	44.20	44.20	44.20	44.20
XIV	Other Equity excluding Revaluation Reserve						2,455.70
XV	Earning Per Share (of ₹ 10/- each) (Not Annualised)						
	- Basic and Diluted (Rupees)- Continuing Operation	(1.15)	(1.86)	8.86	(3.01)	15.87	1.15
	- Basic and Diluted (Rupees)- Discontinued Operation	(6.08)	0.01	0.06	(0.07)	(0.03)	10.48
	- Basic and Diluted (Rupees)- Continuing and Discontinued Operation	(1.23)	(1.85)	8.91	(3.08)	15.84	11.63

* Restated (Refer Note no. 9)



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Notes to standalone financial results:

- The above financial results of Dalmia Bharat Refractories Limited ("the Company") have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on November 13, 2024. The statutory auditors have carried out limited review of the quarter and half year ended September 30, 2024.
- In view of transfer of its Refractory Business in India to BBL Magnesia India Ltd. ("BBLI") which was concluded on January 4, 2023, then the Indian Refractory Business have been considered as discontinued operations in accordance with Ind AS 105 (Non-current Assets Held for Sale and Discontinued Operations).
 The Company has effective October 01, 2023 taken over Dalmia Magnesite Corporation ("DMC Unit"), a Refractory Unit of Dalmia Bharat Sugar and Industries Limited under lease and license agreement. Continuing Operations in the Company includes the operations under this agreement and trading of magnesite carbon refractories ("Refractories").

The financial performances of the Discontinued Operation for the relevant period ended are as below:-

Particular	Year Ended					
	Quarter Ended		Half Yearly		Year Ended	
	Sep 30, 2024	Jun 30, 2024	Sep 30, 2023	Sep 30, 2024	Sep 30, 2023	Mar 31, 2024
	Unaudited	Unaudited	Restated*	Unaudited	Restated*	Audited
Financial Performance:						
Revenue including other income	9.01	0.85	0.88	0.86	13.07	76.22
Total expenses	8.49	0.77	0.59	1.26	11.27	16.29
Profit / (Loss) before tax	(0.48)	0.08	0.29	(0.40)	(0.20)	61.93
Tax expenses	(9.12)	0.02	0.04	(0.10)	(0.07)	1.59
Profit / (Loss) for the period / year from discontinued operations	(0.36)	0.06	0.25	(0.30)	(0.13)	46.34

* Restated (Refer Note no. 3)

- The Company along with Himadri Specialty Chemical Limited (HSCIL) consolidated acquisition of Birla Tyre Limited (BTL) under Corporate Insolvency Resolution Process pursuant to Order dated October 19, 2023 of Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT). The Approved Resolution Plan contained Financial Restructuring Scheme which provided for treatment of select assets and liabilities of BTL from the Restructuring Approved Date (i.e. May 05, 2023), demerger of Tyre Undertaking of BTL to the Company under Scheme of Demerger from Demerger Appointed Date (i.e. May 06, 2023) and eventual capital reduction of the share capital of BTL. The above Schemes and related documents were filed with Registrar of Companies on November 04, 2023. The Company along with HSCIL became the 100% shareholder of BTL. The Company has given effect to above restructuring by way of accounting as per 'Acquisition Method' in accordance with Ind AS 103 - Business Combinations read with other accounting standards prescribed under Section 131 of the Companies Act, 2013. The Company also transferred identified non-operational assets to Himadri Birla Tyre Manufacturer Private Limited with effect from appointed date May 6, 2022. All the accounting effects to the Financial Statements were given by the Company during the year ended March 31, 2024. The financial results of the Company for the quarter and half year ended September 30, 2023 have been restated as per above approved resolution plan.



DALMIA BHARAT REFRACTORIES LIMITED
 CIN-1261007N2006PL0061254
 Regd. Office : DALMIAPURAM, P.O. KALLAKUDI - 621651, DIST. THIRUCHIRAPPALLI, TAMIL NADU
 Phone:- 911123457100, Website: www.dalmiaonline.com

Notes to standalone financial results (contd.):

Accordingly, comparative figures for the quarter and half year ended September 30, 2023 have been restated to give effect of the above Schemes from the appointed date i.e. May 06, 2022 and the effect on the amount of Revenue, Profit and Earnings per Share published in previous period are as given below.

Particular	[₹ in crore]	
	Quarter ended Sep 30, 2023	Half Yearly Sep 30, 2023
Revenue from operations - Continuing Operation		
As per published in previous period	7.17	27.35
As restated for the effect of scheme of demerger and scheme of arrangement	7.17	27.35
Profit / (Loss) after tax - Continuing Operation		
As per published in previous period	(6.15)	(9.24)
As restated for the effect of scheme of demerger and scheme of arrangement	39.15	70.11
Earning per share - Continuing Operation		
As per published in previous period	(1.40)	(2.08)
As restated for the effect of scheme of demerger and scheme of arrangement	8.86	15.87

4 **Exceptional items are as under:**
 Pursuant to the Share Purchase Agreement with HIL Magnesia Bruchland AG and shareholders' approval, during the current quarter and half year ended September 30, 2023, the Company has disposed off wholly owned subsidiary company namely Dalmia GSB Refractories GmbH. Gain amounting to ₹ 29.24 Crore, arising out of this transaction has been considered as exceptional items and presented accordingly in the above said financial results for the period ended September 30, 2023 and for the year ended March 31, 2024.

5 Based on internal reorganization of its business segments, acquisition of tyre underbraking of tyre underbraking of Tyres Limited pursuant to Scheme of Demerger, increased focus and business review carried out by the Whole-time director and CEO (Chief Operating Decision Maker - CODM) of the Company, changed the reportable segments. Now, the Company has identified the two reportable segments, i.e. refractories and tyres. Pursuant to the above changes, the Company has restated segment information of comparative previous quarter and half year ended September 30, 2023 in consonance with Ind AS 108 "Operating Segments", including related disclosures.



DALMIA BHARAT REFRACTORIES LIMITED

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Phone: 91123457100. Website: www.dalmiacl.com

Notes to standalone financial results. (contd.)

- 6 The Board of Directors of the Company on February 2, 2024, have approved the Scheme of Amalgamation (the Scheme) between Dalmia Bharat Sugar and Industries Limited (the Demerged Company) and the Company and their respective shareholders under Sections 230 to 232 and all other applicable provisions of the Companies Act, 2013 for transfer and vesting of Demerged Undertaking 1 or "DMC Unit" i.e. the refractory business of Demerged Company which is engaged in the business of manufacturing of refractories and Demerged Undertaking 2 or "OT Unit" i.e. the coars and gravel services business of Demerged Company into the Company on a going concern basis. In consideration of it, the Company shall issue and allot New Equity Shares of face value of ₹ 10/- each, to the equity shareholders holding fully paid up equity shares of the Demerged Company in the proportion defined in the scheme. The appointed date of the said Scheme is July 01, 2023. Pending approval of the scheme from shareholders and National Company Law Tribunal and regulatory authorities and other compliances, no accounting effects are considered in the above financial results. As of September 30, 2024, the Company has received a "no objection" letter from the Metropolitan Stock Exchange under Regulation 37 of SEBI LODR, and the application has been filed with NCLT. However, pending the necessary approvals, no accounting effects have been included in the financial results.
- 7 On July 25, 2024, the Hon'ble Supreme Court, in a judgment delivered by a Nine-Judge Constitutional Bench, ruled that royalty is not a tax and upheld the legislative competence of States to levy mineral tax. Further, in its order dated August 14, 2024, the Court determined that States could levy or demand tax on minerals from April 01, 2005, with payments to be made in 12 installments, starting from April 01, 2026.
- Given the complexity of the issues involved and pending further clarity, the Company, based on management's evaluation, has estimated a contingent liability of ₹11.13 Crre. This will be reassessed periodically based on further developments in the matter.
- 8 The Previous period/year figures have been restated/regrouped wherever necessary.

Place : New Delhi

Date: November 13, 2024

For and on behalf of the Board of Directors

Dr. C.N Maheswari
Whole time Director and CEO
DIN: 00125680



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DALMIA BHARAT REFRACTORIES LIMITED CIN-1261007N2006PLC061254 Regd. Office : DALMIAPURAM, P.O. KALLARUDI - 621651, DIST. TIRUCHIRAPALLI, TAMIL NADU Phone:- 911123457100, Website: www.dalmiaacl.com STANDALONE BALANCE SHEET AS AT SEPTEMBER 30, 2024		
Particulars	As At	
	Sep 30 2024 Unaudited	Mar 31 2024 Audited
ASSETS		
Non-current assets		
(a) Property, plant and equipment	231.41	237.87
(b) Right of use assets	3.54	3.58
(c) Investment Property	0.21	0.21
(d) Capital work-in-progress	42.00	7.17
(e) Other intangible assets	0.12	-
(f) Financial assets		
(i) Investments	2,883.11	2,282.86
(ii) Other financial Asset	3.73	3.62
(g) Non-current tax assets (net)	11.88	19.99
(h) Other non-current assets	6.23	2.72
Total non-current assets	3,182.17	2,567.95
Current assets		
(a) Inventories	34.34	25.83
(b) Financial assets		
(i) Investments	100.37	215.81
(ii) Trade receivables	15.59	13.68
(iii) Cash and cash equivalents	3.43	212.89
(iv) Bank balances other than (iii) above	21.60	19.78
(v) Loans	0.03	0.04
(vi) Other financial assets	0.65	0.38
(c) Other current assets	23.97	15.95
Total current assets	199.78	583.28
Total assets	3,381.95	3,151.23
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	44.20	44.20
(b) Other equity	2,586.18	2,455.70
Total equity	2,630.38	2,499.90
LIABILITIES		
Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	633.88	484.25
(ii) Lease liabilities	0.55	0.61
(iii) Other financial liabilities	13.35	4.73
(b) Provisions	9.23	9.58
Total non-current liabilities	656.99	499.17
Current liabilities		
(a) Financial liabilities		
(i) Lease liabilities	0.25	0.22
(ii) Trade payables		
(a) Total outstanding dues of Micro Enterprises and Small Enterprises	1.68	0.16
(b) Total outstanding dues of other than Micro Enterprises and Small Enterprises	34.17	29.30
(iii) Other financial liabilities	38.34	27.00
(b) Other current liabilities	10.91	5.22
(c) Provisions	10.31	19.20
Total current liabilities	95.46	72.18
Total Equity & Liabilities	3,381.95	3,151.23

For and on behalf of the Board of Directors

C. N. Maheswari

Dr. C N Maheswari
Whole time Director and CEO
DIN-00125680

Place : New Delhi
Date: November 13, 2024

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Dalmia Bharat Refractories Limited
Unaudited Standalone Statement of Cash Flows for the half year ended September 30, 2024

(₹ in crore)

Particulars	For the period ended 30 Sep 2024	For the period ended 30 Sep 2023
A Cash flow from operating activities:		
Profit / (loss) before tax from ordinary activities before exceptional items		
-Continuing operations	(13.22)	3.20
-Discontinuing operations	(0.40)	(0.20)
Profit before taxation and before exceptional items	(13.62)	3.00
Exceptional items	-	29.24
Profit before taxation	(13.62)	32.24
Adjustments for:		
Depreciation and amortisation expense	9.08	10.89
Gain on Sale Subsidiary	-	(29.24)
Provision for expected credit loss	0.12	-
Provision for warranty	-	(1.29)
Finance cost	35.83	0.11
Interest income	(6.92)	(3.82)
Dividend income	(1.60)	(0.35)
Corporate guarantee income	-	(0.05)
Profit on Sale of current investments	(4.47)	-
Gain on investments carried at fair value through statement of profit and loss	(21.84)	(4.62)
(Profit) / loss on sale of property, plant and equipment	0.01	(8.18)
Provision/liabilities no longer required written back	(0.58)	(3.48)
Operating profit before working capital changes	(3.99)	(7.72)
Working capital adjustments		
Decrease/(Increase) in inventories	(8.51)	14.78
Decrease/(Increase) in trade and other receivables	(13.69)	198.79
(Decrease)/Increase in trade payables	8.68	(149.05)
Cash generated/(used) from operations	(17.51)	56.73
Income taxes paid (net)	18.18	6.14
Net cash flow generated from operating activities	0.67	62.87
B Cash flow from investing activities		
Purchase of property, plant, equipment & intangible assets and CWIP	(37.53)	(0.02)
Proceeds from sale of property, plant and equipment	-	0.01
Interest income	6.88	1.85
Dividend income	1.60	0.35
Purchase of non-current investments	(168.65)	(401.42)
Purchase of current investments	(429.94)	(244.49)
Proceed from sale of current investments	551.32	472.40
Proceed from sale of non-current investments	39.47	-
Proceed from sale of Subsidiary	-	114.28
Other bank balances	(1.90)	(4.32)
Net cash flow used in investing activities	(338.75)	(61.36)
C Cash flows from financing activities		
Dividend paid	(6.51)	(6.63)
Proceeds from non-current borrowings	148.83	-
Repayment of lease liability	(0.16)	(0.16)
Interest paid	(12.54)	(0.04)
Net cash flow generated/(used) from financing activities	129.62	(6.83)
Net decrease in cash and cash equivalents (A+B+C)	(208.46)	(5.32)
Cash and cash equivalents (Opening Balance)	211.89	10.14
Cash and cash equivalents (Closing Balance)	3.43	4.82
Change In Cash & Cash Equivalents	(208.46)	(5.32)

The above cash flow statement has been prepared under the "indirect method" as set out in Ind AS 7 - Statement of Cash Flows.

For and on behalf of the Board of Directors of

Dr. C N Maheswar
 Whole time Director and CEO
 DIN: 00125600

Place: New Delhi
 Date: November 13, 2024

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DALMIA BHARAT REFRACTORIES LIMITED
 CIN: L26100TN2006PLC061254
 Regd. Office : DALMIAPURAM, P.O. KALLAKUDI - 611651, DIST. TIRUCHIRAPPALLI, TAMIL NADU
 Phone:- 911129457300. Website: www.dalmiaclct.com

UNAUDITED STANDALONE SEGMENT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2024

₹ in crore

Sl. No.	Particulars	Quarter Ended		Half Yearly		Year Ended Mar 31, 2024 Audited
		Sep 30, 2024 Unaudited	Jun 30, 2024 Unaudited	Sep 30, 2023 Restated*	Sep 30, 2024 Unaudited	
	Discontinued Operations					
	Refractories	(0.46)	0.50	0.29	(0.40)	(0.20)
	Profit / (Loss) before exceptional items & tax from discontinuing operations for the period / year ended	(0.46)	0.08	0.29	(0.40)	(0.20)
	Exceptional items	-	-	-	-	-
	Profit / (Loss) before tax for the period / year ended from discontinuing Operations	(0.46)	0.08	0.29	(0.40)	(0.20)
	Tax expenses	(0.12)	0.02	0.04	(0.10)	(0.07)
	Net Profit / (Loss) for the period / year ended from Discontinued Operations	(0.30)	0.06	0.25	(0.30)	(0.13)
	Net Profit / (Loss) for the period / year ended	(5.45)	(8.16)	39.40	(13.61)	70.02
3	Segment Assets					
	Continuing Operations					
	Refractories	34.77	31.81	13.56	36.77	13.56
	Tyres	260.36	231.23	320.90	260.36	320.90
		295.13	263.04	334.46	295.13	334.46
	Discontinued Operations					
	Refractories	6.54	3.43	51.36	6.54	51.36
	Tyres	6.54	3.43	51.36	6.54	51.36
	Unallocated	3,002.28	3,125.06	3,092.74	3,032.28	3,092.74
	Total Segment Assets	3,381.95	3,392.33	3,478.56	3,381.95	3,478.56
4	Segment Liabilities					
	Refractories	20.95	14.09	12.65	20.95	12.65
	Tyres	174.94	135.48	303.09	174.94	303.09
		195.89	149.57	315.61	195.89	315.61
	Discontinued Operations					
	Refractories	24.26	24.04	109.72	24.26	109.72
	Tyres	24.26	24.04	109.72	24.26	109.72
	Unallocated	529.42	525.15	13.10	529.42	13.10
	Total Segment Liabilities	751.57	704.76	438.44	751.57	438.44

* Restated (Refer Note no. 3)
 Note: The Assets & Liabilities that cannot be allocated between the segments are shown as una allocable Assets & Liabilities respectively.



Independent Auditor's Review Report on Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,

**The Board of Directors of
Dalmia Bharat Refractories Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Dalmia Bharat Refractories Limited ("the Parent", "the Company") and its subsidiaries (the parent and its subsidiaries together refer to as "the Group"), for the quarter and half year ended 30th September 2024, attached herewith, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 ("the Listing Regulations"), as amended.

Management Responsibility

2. This statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 Interim Financial Reporting (Ind AS 34) as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statement based on our review.

Auditor's Responsibility

3. We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The statement includes the results of the following subsidiaries: -
 - a. OCL Global Limited
 - b. OCL China Limited
 - c. Himadri Birla Tyre Manufacture Private Limited (earlier known as Dalmia Mining and Services Private Limited)
 - d. Birla Tyre Limited

Conclusion

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other Matter

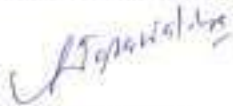
6. We did not review the interim financial information/financial results of 4 subsidiaries included in the unaudited consolidated financial results, whose interim financial information/financial results reflect, total asset of Rs. 376.82 Crore as at 30th September, 2024, total revenue of Rs. 29.60 Crore and Rs. 59.05 Crore, total net profit after tax of Rs. 5.45 Crore and Rs. 10.02 Crore, total comprehensive income of Rs. 5.45 Crore and Rs. 10.02 Crore for the quarter ended 30th September, 2024 and for the period from 1st April, 2024 to 30th September, 2024 respectively, and Cash flow outflow (net) of Rs. 15.03 Crore for the period from 1st April, 2024 to 30th September, 2024, as considered in the unaudited consolidated financial results. These interim financial information/financial results have been reviewed by other auditors whose



reports have been furnished to us by the Management and our conclusion on the statement, in so far relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and procedures performed by us as stated in paragraph 3 above.

Our conclusion on the statement is not modified in respect of the above matters with respect to our reliance on the work done and the report of other auditors.

For Chaturvedi & Shah LLP
Chartered Accountants
Registration No. 101720W/W100355



Vijay Napawaliya
Partner
Membership No. 109859
UDIN: 24109859BKFCMH3221



Place: Mumbai
Date: 13th November, 2024

DALMIA BHANSA REFRACATORIES LIMITED
 CIN-526108TN2006PLC061254
 Regd. Office: DALMIAPURAM, P.O. KOLLAMITHI - 621551, DIST. THIRUCHIRAPPALLI, TAMIL NADU
 Phone - 911122457400, Website - www.dalmiaonline.com

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2024

S. No	Particulars	Quarter Ended				Half Yearly		Year Ended March 31, 2024 Audited
		Sep 30, 2024		Sep 30, 2023		Sep 30, 2024		
		Unaudited	Restated*	Unaudited	Restated*	Unaudited	Restated*	
	Continuing Operations							
	INCOME							
I	Income from operations	20.92	18.41	18.41	18.53	87.90	211.60	
II	Other income	20.87	11.24	11.24	55.69	22.23	63.09	
III	Total Income (I+II)	41.79	29.65	29.65	100.20	90.23	175.04	
	EXPENSES							
IV	Cost of materials consumed	17.28	11.08	4.28	24.46	21.51	68.26	
	Purchase of stock-in-trade	0.73	3.38	1.34	4.11	10.37	18.79	
	Change in inventories of finished goods and work-in-progress	(0.51)	(2.26)	4.78	(2.77)	10.17	4.78	
	Employee benefit expense	4.76	4.09	3.20	8.85	8.40	10.63	
	Finance Cost	20.03	19.03	0.03	19.71	2.00	17.05	
	Depreciation and amortisation	4.92	5.17	5.95	10.89	11.42	24.25	
	Other Expenses	9.24	9.74	9.47	10.93	22.63	54.52	
	Total Expenses (IV)	51.74	51.69	29.38	103.82	87.66	181.47	
V	Profit / (Loss) before tax from Continuing Operation (III-IV)	0.05	(3.27)	0.27	(3.22)	2.35	(2.93)	
VI	Exceptional Items (Refer note 4)	-	-	0.45	-	10.86	1.09	
VII	Profit/(Loss) after exceptional items and before tax from Continuing Operation	0.05	(3.27)	0.75	(3.22)	13.21	9.66	
VIII	Tax Expenses							
	Current tax	-	-	(3.81)	-	8.13	-	
	Deferred tax	0.10	(0.07)	(3.25)	0.00	(36.67)	6.22	
	Tax adjustment for prior years	-	-	-	-	-	2.84	
	Total Tax Expenses from Continuing Operation (VIII)	0.10	(0.03)	(39.26)	0.00	(38.54)	8.86	
IX	Net Profit / (Loss) for the period/ year from Continuing Operation (IX=VII-VIII)	(0.05)	(3.25)	40.01	(3.20)	11.72	0.80	
X	Discontinued Operations (Refer Note - 2)							
	Profit / (Loss) before tax from Discontinued Operations	(0.00)	0.28	0.29	(1.40)	(0.20)	0.08	
	Tax expense / (credit) on Discontinued Operations	(0.12)	0.02	0.14	(0.10)	(0.07)	15.59	
	Net result / (Loss) for the period/ year from Discontinued Operation (X)	(0.12)	0.66	0.75	(0.30)	(0.37)	15.67	



S. No	Particulars	Quarter Ended				Half Yearly		Year Ended
		Sep.30, 2024 Unaudited	Jun.30, 2024 Unaudited	Sep.30, 2023 Restated*	Sep.30, 2023 Unaudited	Sep.30, 2024 Unaudited	Sep.30, 2023 Restated*	March 31, 2024 Audited
XI	Other Comprehensive Income (OCI) (Including Discontinued Operation) Items that will not be reclassified to profit or loss							
	(i) Fair Value of Equity Instruments	(5.32)	397.34	297.44	552.21	343.35	(230.23)	
	(ii) Income tax relating to income	-	-	(46.41)	-	(37.42)	3.08	
	(iii) Re-measurement of Defined Benefit Plans	0.04	(0.01)	(0.20)	0.01	0.15	(0.10)	
	(iv) Income tax relating to re-measurement of Defined Benefit Obligations	(0.01)	-	0.07	(0.01)	(0.04)	0.13	
	Items that will be reclassified to profit or loss							
	(i) Fair Value of Debt Instruments	-	(1.00)	-	(1.50)	-	(0.35)	
	(ii) Income tax relating to movement in Fair Instruments	-	-	-	-	-	-	
	(iii) Exchange differences in translating the financial statements of foreign operations	3.19	(0.14)	0.41	2.95	(1.23)	(1.50)	
	Total Other Comprehensive Income (OCI)	(41.91)	195.59	239.41	533.68	284.81	(237.07)	
XII	Total Comprehensive Income for the period/year (W+X+XI)	(42.22)	192.40	279.67	150.88	336.43	(108.08)	
	Net profit/(loss) Attributable to (Continuing and Discontinued Operation) of Owners of the Company	(0.36)	(3.16)	42.32	(3.52)	31.04	47.33	
	(a) Non controlling interest	(0.05)	(0.33)	(0.06)	(0.00)	(0.22)	(0.04)	
	Other Comprehensive Income Attributable to (Continuing and Discontinued Operation)							
	(i) Owners of the Company	(41.91)	195.61	279.61	153.68	281.06	(236.80)	
	(ii) Non controlling interest	0.02	(0.02)	-	-	(0.25)	(0.23)	
	Total Comprehensive Income Attributable to (Continuing and Discontinued Operation)	(42.29)	192.45	279.72	150.16	336.70	(109.73)	
	(a) Owners of the Company	(0.03)	(0.05)	(0.06)	(0.00)	(0.27)	(0.25)	
	(b) Non controlling interest	44.28	44.20	44.20	44.20	44.20	44.20	
XIII	Paid-up equity share capital (Face Value Per Share ₹ 10/-)							
XIV	Reserves Equity excluding Revaluation Reserve							
XV	Earning Per Share (of ₹ 10/- each) (Not Annualized)							
	- Basic and Diluted (Rupees) - Continuing Operations	(0.08)	(0.77)	9.05	(0.73)	11.78	0.19	
	- Basic and Diluted (Rupees) - Discontinued Operation	(0.78)	6.07	3.08	(0.07)	(0.07)	30.47	
	- Basic and Diluted (Rupees) - Continuing and Discontinued Operations	(0.10)	(0.21)	9.13	(0.80)	11.49	19.66	

* Restated (Refer Note no. 3)





GALMIA BHARAT REFRAC TOOLS LIMITED
 CN-124187FN2006PLG0632104
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 Phone: 8111334571009, Website: www.dazimafuram.com

Notes to consolidated financial results:
 The above financial results of Galma Bharat Refractories Limited ("the Holding Company or the Company") and its subsidiaries, collectively referred to as Group, have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on November 13, 2024. The statutory auditors have carried out limited review of the quarter and half year ended 30 September, 2024.
 In view of transfer of its Refractory Business in India to HBL Magnesia India Ltd ("HMI") which was concluded on January 4, 2023, the then Indian Refractory Business has been considered as discontinued operations in accordance with Ind AS 105 (Discontinued Operations).
 The Company has shares in over 23 other over Boreas Magnesia Corporation refractory unit of Dalmia Bharat Refractories and Industries Ltd under lease and license agreement. Continuing Operations in the Company includes the operations under this agreement, manufacturing and trading of magneitic carbon refractories ("Refractories").
 The financial performance of the discontinued operations for the relevant period is disclosed as below:

Particulars	Quarter Ended			Half Yearly		Year Ended	
	Sep 30, 2024	Jun 30, 2024	Sep 30, 2023	Sep 30, 2024	Sep 30, 2023	March 31, 2024	March 31, 2023
	Unaudited	Unaudited	Revised*	Unaudited	Revised*	Audited	Audited
Financial Performance							
Revenue (including other income)	0.01	0.85	0.80	0.86	1.07	78.22	78.22
Cost of sales	0.69	0.77	0.55	1.26	1.27	16.34	16.34
Profit / (Loss) before tax	(0.68)	0.08	0.25	(0.40)	(0.20)	61.88	61.88
Tax on profits	(0.32)	0.32	0.04	(0.10)	(0.07)	15.56	15.56
Profit / (Loss) for the period / year from discontinued operations	(0.36)	0.06	0.21	(0.30)	(0.17)	46.29	46.29

(1) Pursuant to Order dated October 18, 2023 of Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT), approving acquisition of Birla Tyres Limited (BTL) by the Company along financial Speciality Chemical Limited (SCL) under Corporate Restructuring Process including the Reorganization Plan approved by NCLT subsequently. The Approved Reorganization Plan mentioned financial Restructuring Scheme which provided for treatment of debt assets and liabilities of BTL from the Restructuring Approved Date (i.e. May 05, 2022), demerger of Tyre Undertaking of BTL to the Company under Scheme of Demerger Approved Date (i.e. May 04, 2022) and eventual capital reduction of the share capital of BTL. The above scheme and related documents were filed with Registrar of Companies on November 04, 2023.
 The Company has given effect to above restructuring by way of accounting as per 'Acquisition Method' in accordance with Ind AS 103 - Business Combinations read with other accounting standards prescribed under section 113 of the Companies Act, 2013. The difference between the fair value of net identifiable assets acquired (as per Purchase Price Allocation report from a Registered Valuer) and consideration paid on the demerger has been accounted for as Capital Reserve amounting to ₹ 60.15 crore along with corresponding settlement of the purchase consideration of ₹ 130.00 crore, discharged by issue and allotment of 1 (one) crore shares of face value ₹ 10/- of the Company to the shareholders of BTL other than the Company itself (i.e. 1992).

(2) The Company has consolidated the financial statement of BTL as per 'Acquisition Method' in accordance with Ind AS 103 - Business Combinations read with other accounting standards prescribed under section 113 of the Companies Act, 2013. Accordingly, the assets and liabilities pertaining to BTL are recorded at their respective fair value as per the Purchase Price Allocation report filed from the Registered Valuer. To give effect of the Financial Restructuring Scheme, the financial statements/ results of the Company have been restated from the appointed date.

(3) Accordingly, comparative figures for the quarter and half year ended September 30, 2023 have been restated to give effect of the above schemes from the appointed date i.e. May 05, 2022 and the effect on the amount of Revenue, Profit and Earnings per Share published in previous period are as given below:-

Particular	[₹ in crore]	
	Quarter ended Sep 30, 2023	Half Yearly Sep 30, 2023
Revenue from operations - Continuing Operation		
As per published in previous period	18.41	67.98
As restated for the effect of demerger scheme and scheme of arrangement	18.41	67.98
Profit / (Loss) after tax - Continuing Operation		
As per published in previous period	(5.34)	(27.52)
As restated for the effect of demerger scheme and scheme of arrangement	46.61	51.75
Earnings per share - Continuing Operation		
As per published in previous period	(1.11)	(6.23)
As restated for the effect of demerger scheme and scheme of arrangement	9.05	13.23



DALMIA BHARAT REFRACTORIES LIMITED
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 Phone:- 911423457100, Web site: www.dalmiacl.com

Notes to consolidated financial results (contd.)

4. Recreational items are as under:
 Pursuant to the Share Purchase Agreement with Raji Magnesia Technologies AG and shareholders' approval, the Holding Company has disposed off wholly owned subsidiary company namely Dalmia CSR Refractories GmbH. Gain arising out of this transaction has been considered as exceptional items and presented accordingly in the above said financial results.
5. Based on internal reorganisation of its business segments, acquisition of five undertakings of Eka Tyres Limited pursuant to scheme of demerger, increased focus and business review carried out by the Whole-time Director and CEO (Chief Operating Decision Maker - (CODM)) of the Company, changed the reportable segments. New the Group has identified the two reportable segments, i.e. refractories and Tyres. Pursuant to the above change, the Group has retained relevant information of comparative previous quarter and half year ended September 30, 2023 in accordance with Ind AS 108 - Operating Segments, including related disclosures.
6. The Board of Directors of the Company on February 2, 2024, have approved the Scheme of Amalgamation (the Scheme) between Dalmia Bharat Sugar and Industries Limited (the Demerged Company) and the Company and their respective shareholders under Sections 230 to 232 and all other applicable provisions of the Companies Act, 2013 for transfer and vesting of Demerged undertaking i.e. "DMC Unit" i.e. the extractive business of Demerged Company into the Company on a going concern basis. In consideration of it, the Company shall issue and allot New Equity Shares of face value of ₹ 10/- each, to the equity shareholders holding fully paid up equity shares of the Demerged Company in the proportion defined in the scheme. The appointed date of the said Scheme is July 01, 2023. Pending approval of the scheme from shareholders and National Company Law Tribunal and regulatory authorities and other compliances, an accounting effects are considered in the above financial results. As of September 30, 2023, the Parent Company has received a "in objections" letter from the Metropolitan Stock Exchange under Regulation 27 of SEBI (LTD)E, and the application has been filed with NCLT. However, pending the necessary approvals, an accounting effects have been included in the financial results.
7. On July 25, 2024, the Hon'ble Supreme Court, in a judgment delivered by a Nine-Judge Constitutional Bench, ruled that royalty is not a tax and upheld the legislative competence of States to levy mineral taxes. Further, in its order dated August 14, 2024, the Court determined that States could levy or demand tax on minerals from April 01, 2015, with payments to be made in 12 installments starting from April 01, 2024.
8. Given the complexity of the issues involved and pending further clarity, the Parent Company, based on management's evaluation has retained a contingibility of ₹11.13 Crs. This will be reassessed periodically based on further developments in the matter.

Place: New Delhi
 Dated: November 13, 2024

For and on behalf of the Board of Directors



Dr. CN Maheshwari
 Whole time Director and CEO
 DIN: 00175680



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CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2024

(₹ in crore)

Particulars	As At	
	Sep 30 2024	Mar 31 2024
	Unaudited	Audited
ASSETS		
Non-current assets		
(a) Property, plant and equipment		285.81
(b) Right of use assets	279.21	13.58
(c) Investment Property	13.03	0.21
(d) Capital work-in-progress	0.23	90.20
(e) Other intangible assets	125.03	0.02
(f) Goodwill	0.12	
(g) Financial assets	0.02	
(i) Investments		2,293.40
(ii) Other financial assets	2,905.68	3.73
(j) Current tax assets (net)	3.73	29.99
(k) Other non-current assets	11.82	6.23
Total non-current assets	3,345.80	2,719.35
Current assets		
(A) Inventories	81.93	28.86
(B) Financial assets		
(i) Investments		218.59
(ii) Trade receivables	102.40	23.53
(iii) Cash and cash equivalents	22.15	231.79
(iv) Bank balances other than (i) above	8.20	19.70
(v) Loans	44.01	0.04
(vi) Other financial assets	0.03	2.05
(C) Other current assets	3.92	33.95
Total current assets	264.17	559.51
Total Assets	3,610.05	3,278.86
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	44.20	44.20
(b) Other equity	2,701.94	2,561.75
(c) Non Controlling Interests	5.65	5.78
Total Equity	2,751.83	2,611.73
LIABILITIES		
Non-current Liabilities		
(a) Financial liabilities		
(i) Borrowings	729.55	576.83
(ii) Lease liabilities	0.56	4.71
(iii) Other financial liabilities	13.05	9.56
(b) Provisions	9.23	3.26
(c) Deferred tax liabilities (net)	3.26	
Total Non-current Liabilities	755.65	591.73
Current Liabilities		
(a) Financial liabilities		
(i) Lease liabilities	0.24	0.16
(ii) Trade payables	1.89	31.15
(a) Total outstanding dues of Micro Enterprises and Small Enterprises	40.00	27.56
(b) Total outstanding dues of other than Micro Enterprises and Small Enterprises	38.73	31.41
(iii) Other financial liabilities	31.41	10.20
(b) Other current liabilities	20.31	
(c) Provisions	102.57	75.40
Total current liabilities	102.57	75.40
Total Equity & Liabilities	3,610.05	3,278.86

Place: New Delhi
 Date: November 13, 2024

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For and on behalf of the Board of Directors

C. N. Maheshwari
 Dr. C. N. Maheshwari
 Whole time director and CEO
 DIN: 00175640



Dalmia Bharat Refractories Limited
 CONSOLIDATED UNAUDITED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2024

(₹ in crore)

Particulars	For the period ended 30 Sep 2024	For the period ended 30 Sep 2023
A Cash flow from operating activities :		
Profit / (loss) before tax from ordinary activities before exceptional items		
- Continuing operations	(3.22)	2.36
- Discontinuing operations	(0.40)	(0.70)
Profit/(loss) before taxation and before exceptional items	(3.62)	1.66
Exceptional items	-	10.04
Profit before taxation	(3.62)	13.02
Adjustments for:		
Depreciation and amortisation expense	16.10	12.47
Provision no longer required written back	(0.38)	(3.71)
Provision for doubtful debts	0.12	-
Provision for warranty	0.02	-
Finance cost	29.72	2.47
Interest income	(20.49)	(4.89)
Dividend income	(1.40)	(0.25)
Gain on investments carried at fair value through statement of profit and loss	(21.04)	(4.62)
Profit on sale of current investments	(5.19)	(8.18)
(Profit) / loss on sale of property, plant and equipment	0.01	-
Miscellaneous provision written back	-	4.24
Immature foreign exchange variation	-	(0.00)
Exceptional Gain	-	(10.86)
Other	-	(0.97)
Operating profit/(loss) before working capital changes	(3.95)	(1.46)
Adjustments for working capital		
Decrease/(Increase) in inventories	(13.07)	18.22
Decrease/(Increase) in trade and other receivables	(9.74)	195.51
(Decrease)/Increase in trade and other payables	11.43	(153.79)
Cash (used in)/generated from operations	(14.43)	50.80
Income taxes paid (net)	18.15	5.92
Net cash flow (used in)/generated from operating activities	3.72	64.41
B Cash flow from investing activities		
Purchase of property, plant, equipment, intangible assets and capital work - in - progress	(35.65)	-
Proceeds from sale of property, plant and equipment	-	3.85
Proceed from sale of DGSH	-	114.28
Interest income	16.11	0.20
Dividend income	3.60	0.35
Purchase of non-current investments	(494.21)	(401.54)
Purchase of current investments	(425.32)	(244.49)
Proceed from sale of current investments	552.17	472.44
Proceed from sale of non-current investments	57.05	-
Other bank balances	(24.31)	(4.77)
Net cash flow (used in) investing activities	(356.56)	(61.34)
C Cash flows from financing activities		
Dividend paid	(0.51)	(4.47)
Proceeds from current borrowings (net)	-	40.06
Proceeds/(Repayment) of non-current borrowings (net of transaction costs)	140.94	(50.85)
Repayment of lease liability	(0.41)	(0.50)
Interest paid	(12.57)	(0.95)
Net cash flow generated/(used) from financing activities	129.35	(17.67)
Net decrease in cash and cash equivalents (A+B+C)	(223.49)	(14.60)
Cash and cash equivalents (Opening Balance)	231.79	128.60
Cash and cash equivalents (Closing Balance)	8.30	113.99
Change in Cash & Cash Equivalents	(223.49)	(14.60)

Notes:

1. The above cash flow statement has been prepared under the "indirect method" as set out in Ind AS 7 - Statement of Cash Flows.

Place: New Delhi
 Dated: November 13, 2024

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For and on behalf of the Board of Directors of

Dr. CN Maheshwari

Dr. CN Maheshwari
 Whole time director and CEO
 DIN: 00125600



CONSOLIDATED UNAUDITED SEGMENT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2014

Sr. No.	Particulars	Quarter Ended			Half Yearly		Year Ended Mar 31, 2014 Audited
		Sep 30, 2014 Transferred	Jun 30, 2014 Transferred	Sep 30, 2013 Retained*	Sep 30, 2014 Transferred	Sep 30, 2013 Retained*	
1	Segment Revenue						
	Operating Operations	23.92	23.34	10.41	44.50	47.90	115.94
	Refractories	0.01	0.01	-	-	-	-
	Dyes	23.91	23.29	10.41	44.51	47.90	115.94
	Less: Inter Segment Transfer						
	Revenue from Continuing Operations						
	Discontinued Operations						
	Refractories	0.01	0.01	0.06	0.04	0.02	14.02
	Dyes	0.01	0.01	0.06	0.04	0.02	14.02
	Less: Inter Segment Transfer						
Revenue from Discontinued Operations							
2	Segment Revenue						
Operating Operations	17.35	17.27	4.64	34.52	33.03	14.03	
Refractories	0.05	(1.37)	0.27	(2.23)	2.15	(2.03)	
Dyes	17.30	18.64	4.37	36.75	30.88	16.06	
Total Segment Profit / (Loss) before Interest and Tax for the period / year ended	(5.30)	(16.10)	(2.71)	(11.17)	(11.54)	(11.61)	
(i) Finance Cost	(0.02)	(19.48)	(0.02)	(19.71)	(19.47)	(19.88)	
(ii) Interest Income	3.00	3.22	2.03	6.23	5.89	13.42	
(iii) Dividend Income	1.60	-	0.35	1.60	0.35	7.38	
(iv) Income from sale of Investment	0.21	3.91	3.90	4.14	8.18	14.89	
(v) Other life, admissible Income (Net of Expenses)	17.35	17.27	4.64	34.52	33.03	14.03	
Profit / (Loss) before exceptional items & tax in continuing operations for the period / year ended	0.05	(1.37)	0.27	(2.23)	2.15	(2.03)	
Exceptional Items							
Profit / (Loss) before tax for the period / year ended from Continuing Operations	0.05	(1.37)	0.27	(2.23)	2.15	(2.03)	
(i) Current Tax	-	-	(0.01)	-	6.13	-	
(ii) Deferred Tax	6.10	(6.02)	(29.25)	0.09	(28.67)	6.22	
Net Profit / (Loss) after tax for the period / year ended from Continuing Operations	(0.05)	(1.37)	0.26	(2.14)	5.75	0.02	
Discontinued Operations							
Refractories	(0.01)	0.01	0.29	(0.01)	(0.20)	61.86	
Dyes	(0.49)	0.08	0.29	(0.48)	(0.20)	61.86	
Profit / (Loss) before exceptional items & tax from discontinued operations for the period / year ended							
Exceptional Items							
Profit / (Loss) before tax for the period / year ended from discontinued Operations	(0.49)	0.08	0.29	(0.48)	(0.20)	61.86	
Tax expense	10.22	0.62	0.61	(4.10)	(0.07)	15.59	
Net Profit / (Loss) for the period / year ended from Discontinued Operations	10.13	0.68	0.75	(3.97)	(0.13)	61.29	
Net Profit / (Loss) for the period / year ended	(0.41)	(1.19)	49.14	(1.66)	51.42	67.29	



DALMIA BHARAT REFRACTORIES LIMITED
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 Phone - 911113357160. Website - www.dalmia.com

CONSOLIDATED UNAUDITED SEGMENT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2024

Sr. No.	Particulars	Quarter Ended		Half Yearly		Year Ended	
		Sep 30, 2024		Sep 30, 2024		Mar 31, 2024	
		Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
3	Segment Assets						
	Continuing Operations	284.39	240.43	173.36	264.39	175.76	194.57
	Discontinued Operations	186.56	237.67	315.13	306.50	366.13	343.37
	Types	679.65	576.12	488.49	630.95	481.89	538.31
	Refractories	332	341	51.36	3.52	51.36	23.09
4	Segment Liabilities						
	Continuing Operations	232	343	51.36	2.52	52.36	23.01
	Discontinued Operations	2,935.58	3,829.47	2,796.35	3,955.08	2,906.35	2,717.52
	Types	3,630.02	3,659.01	3,523.20	3,610.25	3,529.20	3,218.86
	Refractories						
Discontinued Operations							
	Continuing Operations	27.59	21.84	15.75	22.39	15.75	18.61
	Types	274.96	230.13	813.09	274.96	103.99	204.40
	Refractories	462.53	251.37	310.83	302.53	310.83	223.63
	Discontinued Operations	26.26	26.76	103.72	26.76	109.31	26.76
Unaudited		26.26	26.76	104.32	26.26	109.71	26.26
		529.03	676.15	11.52	679.61	11.52	677.26
	Total Segment Liabilities	615.32	604.29	441.67	658.22	442.07	607.23

* Rounded / Ruler Noted as 3)

Note: The Assets & Liabilities that cannot be identified between the segments are shown as unaffiliated Assets & Liabilities respectively.





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REPORT ADOPTED BY THE BOARD OF DIRECTORS OF DALMIA BHARAT SUGAR AND INDUSTRIES LIMITED AT ITS MEETING HELD ON FEBRUARY 02, 2024 EXPLAINING EFFECT OF THE SCHEME ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

BACKGROUND

The Board of Directors ("Board") of Dalmia Bharat Sugar and Industries Limited on February 02, 2024 approved the Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited ("Demerged Company" or "DBSIL" or "Company") and Dalmia Bharat Refractories Limited ("Resulting Company" or "DBRL") and their respective shareholders (the "Scheme") under Sections 230 to 232 of the Companies Act, 2013 ("Act") and other applicable provisions, if any of the Act. The Scheme entails the following:

- (a) Transfer and vesting by way of demerger of the Demerged Undertakings (as defined in the Scheme), consisting of DMC (Dalmia Magnesite Corporation) Unit and GT (Govan Travels) Unit (as defined in the Scheme), of the Demerged Company into the Resulting Company and consequent issue of New Equity Shares (as defined in the Scheme) by the Resulting Company to the shareholders of the Demerged Company;
- (b) Various other matters consequential or otherwise integrally connected.

As per Section 232(2)(c) of the Act, a report adopted by the Board explaining the effect of compromise on each class of shareholders, key managerial personnel ("KMPs"), promoters and non-promoter shareholders laying out in particular the share exchange ratio, is required to be circulated to the shareholders along with the notice convening the meeting.

This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.

The Scheme and the following documents are presented to the Board:

- a) Valuation report dated February 02, 2024 issued by Valecs Ecotech Pvt. Ltd. (Firm Registration Number IBBI/RV-E/02/2022/178), being registered valuer appointed for the purpose of the Scheme ("Valuation Report");

- b) Fairness opinion report dated February 02, 2024 Issued by M/s D & A Financial Services (P) Ltd., SEBI registered Category I merchant banker having license no. INM000011484 providing the fairness opinion on the share entitlement recommended in the Valuation Report (“Fairness Opinion”); and
- c) Certificate dated February 02, 2024 issued by the Statutory Auditors of the Company, i.e., NSBP & Co., Chartered Accountants (FRN: 001075N) to the effect that the Scheme is in compliance with applicable Accounting Standards specified by the Central Government under Section 133 of the Companies Act, 2013 (“Statutory Auditors Certificate”).
- d) Copies of Audit Committee Report and the Independent Directors Report, both dated February 02, 2024.

The aforesaid Valuation Report and Fairness Opinion have been duly considered by the Board and have come to the conclusion that share entitlement ratio is fair and reasonable.

SHARE ENTITLEMENT RATIO REPORT / ISSUE OF SHARES ON DEMERGER

The above-mentioned registered valuer has recommended the following share entitlement ratio for the issue of shares in terms of the Scheme:

“1 fully paid-up equity share of face value of INR 10 each of the Resulting Company shall be issued and allotted for every 48.18 fully paid up equity share of face value INR 2 each held by equity shareholders of the Demerged Company.”

The aforesaid ratio has been confirmed in the Fairness Opinion referred above.

The New Equity Shares of the Resulting Company to be issued and allotted as above shall rank *pari passu* in all respects with the existing equity shares of the Resulting Company, after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached thereto. The Resulting Company shall seek listing of the New Equity Shares allotted by it on Calcutta Stock Exchange Limited (“CES”) and Metropolitan Stock Exchange of India Limited (“MSE”), where its existing shares are listed.

No special valuation difficulties were reported.

EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER) OF THE DEMERGED COMPANY

The Demerged Company has issued only one class of shares, i.e. equity shares. Both the promoter and non-promoter shareholders of the Demerged Company holding such equity shares will be entitled to the allotment of fully paid up New Equity Shares in the Resulting Company.

The Scheme is expected to have several benefits for the Company and the Resulting Company, as indicated in the rationale to the Scheme, and is expected to be in the best interests of the shareholders of the Company. Thus, there is no adverse effect of the Scheme on the shareholders (the promoter and non-promoter shareholders) of the Company.

The provisions of the Scheme have been drawn up to comply with the conditions relating to "Demerger" as defined under Section 2(19AA) of the Income Tax Act, 1961 and therefore, it may not have any tax implications.

EFFECT OF THE SCHEME ON THE KMPs

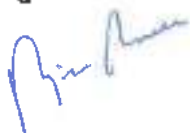
No change in KMPs of the Demerged Company is expected pursuant to the Scheme.

The Resulting Company, if applicable, may engage in the Demerged Undertakings, the KMPs concerned of the Demerged Company without any interruption in their service and on terms and conditions not less favourable than those on which they are engaged by the Demerged Company.

Further, none of the KMPs have any interest in the Scheme except to the extent of the equity shares held by them, if any, in the Demerged Company or the Resulting Company. The effect of the Scheme on such interest is the same as in the case of other shareholders.

**For the Board of Directors of
Dalmia Bharat Sugar and Industries Limited**

Rajeev Bakshi
Director
(DIN: 00044621)



Place: New Delhi
Date: February 02, 2024

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF DALMIA BHARAT REFRACTORIES LIMITED AT ITS MEETING HELD ON FEBRUARY 02, 2024 EFFECT OF THE DRAFT SCHEME OF ARRANGEMENT BETWEEN DALMIA BHARAT SUGAR AND INDUSTRIES LIMITED AND DALMIA BHARAT REFRACTORIES LIMITED AND THEIR RESPECTIVE SHAREHOLDERS ON EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

BACKGROUND

The Board of Directors ("**Board**") of Dalmia Bharat Refractories Limited on February 02, 2024 approved the Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited ("**Demerged Company**" or "**DBSIL**") and Dalmia Bharat Refractories Limited ("**Resulting Company**" or "**DBRL**" or "**Company**") and their respective shareholders (the "**Scheme**") under Sections 230 to 232 of the Companies Act, 2013 ("**Act**") and other applicable provisions, if any of the Act. The Scheme entails the following:

- (a) Transfer and vesting by way of demerger of the Demerged Undertakings (*as defined in the Scheme*), consisting of DMC (Dalmia Magnesite Corporation) Unit and GT (Govan Travels) Unit (*as defined in the Scheme*), of the Demerged Company into the Resulting Company and consequent issue of New Equity Shares (*as defined in the Scheme*) by the Resulting Company to the shareholders of the Demerged Company;
- (b) Various other matters consequential or otherwise integrally connected.

As per Section 232(2)(c) of the Act, a report adopted by the Board explaining the effect of compromise on each class of shareholders, key managerial personnel ("**KMPs**"), promoters and non-promoter shareholders laying out in particular the share exchange ratio, is required to be circulated to the shareholders along with the notice convening the meeting.

This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.

The Scheme and the following documents are presented to the Board:

- (a) Valuation report dated February 02, 2024, issued by M/s. Valecs Ecotech Pvt. Ltd (IBBI Registration No. IBBI/RV-E/02/2022/178, being registered valuer appointed for the purpose of the Scheme ("**Valuation Report**");
- (b) Fairness Opinion Report dated February 02, 2024, issued by D & A Financial Services (P) Limited, a Category-I SEBI registered Independent Merchant Banker (Reg. No. INM000011484) providing the fairness opinion on the share entitlement recommended in the Valuation Report ("**Fairness Opinion**");
- (c) Draft Certificate dated February 02, 2024, issued by the Statutory Auditors of the Demerged Company i.e. M/s. Chaturvedi & Shah LLP, Chartered Accountants (FRN: 101720W/W100355), to the effect that the Scheme is in compliance with applicable



Accounting Standards specified by the Central Government in Section 133 of the Act;
and

- (d) Copies of Audit Committee Report and Committee of Independent Directors Report, both dated February 02, 2024.

The aforesaid Valuation Report and Fairness Opinion have been duly considered by the Board and have come to the conclusion that share entitlement ratio is fair and reasonable.

SHARE ENTITLEMENT RATIO REPORT / ISSUE OF SHARES ON DEMERGER

The above-mentioned registered valuer has recommended the following share entitlement ratio for the issue of shares in terms of the Scheme:

01 equity share of Dalmia Bharat Refractories Limited of INR 10 each fully paid up for every 48.18 equity shares of Dalmia Bharat Sugar and Industries Limited of INR 02 each fully paid up.

The aforesaid ratio has been confirmed in the Fairness Opinion referred above.

The New Equity Shares of the Resulting Company to be issued and allotted as above shall rank *pari passu* in all respects with the existing equity shares of the Resulting Company, after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached thereto. The Resulting Company shall seek listing of the New Equity Shares allotted by it on Calcutta Stock Exchange Limited ("CSE") and Metropolitan Stock Exchange of India Limited ("MSE"), where its existing shares are listed.

No special valuation difficulties were reported.

EFFECT OF THE SCHEME ON THE EQUITY SHAREHOLDERS (PROMOTER AND NON-PROMOTER) OF THE DEMERGED COMPANY

The Demerged Company has issued only one class of shares, i.e. equity shares. Both the promoter and non-promoter shareholders of the Demerged Company holding such equity shares will be entitled to the allotment of fully paid up New Equity Shares in the Resulting Company.

The Scheme is expected to have several benefits for the Company and the Demerged Company, as indicated in the rationale to the Scheme, and is expected to be in the best interests of the shareholders of the Company. Thus, there is no adverse effect of the Scheme on the shareholders, the promoter and non-promoter shareholders and/ or Directors of the Company.

The provisions of the Scheme have been drawn up to comply with the conditions relating to "Demerger" as defined under Section 2(19AA) of the Income Tax Act, 1961 and therefore, it may not have any tax implications.



EFFECT OF THE SCHEME ON THE KMPs

No change in KMPs of the Demerged Company is expected pursuant to the Scheme.

The Resulting Company, if applicable, may engage in the Demerged Undertakings, the KMPs concerned of the Demerged Company without any interruption in their service and on terms and conditions not less favourable than those on which they are engaged by the Demerged Company.

Further, none of the KMPs have any interest in the Scheme except to the extent of the equity shares held by them, if any, in the Demerged Company or the Resulting Company. The effect of the Scheme on such interest is the same as in the case of other shareholders.

**Certified True Copy
For Dalmia Bharat Refractories Limited**


Deepak Thombre
Director
(DIN: 02421599)



**Place: Pune
Date: February 02, 2024**



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Details of Shareholding* (Security Wise – Equity/Preference Share) of the Demerged Company						
SHP Shareholders	Pre – Scheme			Post – Scheme		
	No. of shares	%	Shareholders (31.12.2023)	No. of shares	%	Shareholders (31.12.2023)
Promoter	60634122	74.91	19	60634122	74.91	19
Public	20305181	25.09	45051	20305181	25.09	45051
Custodian	0	0	0	0	0	0
Total	80939303	100	45070	80939303	100	45070

Details of Shareholding* (Security Wise – Equity/Preference Share) of the Resulting Company						
SHP Shareholders	Pre – Scheme			Post – Scheme		
	No. of shares	%	Shareholders	No. of shares	%	Shareholders
Promoter	33147379	74.99	8	34405871	74.99	20
Public	11052728	25.01	3115	11474172	25.01	48165
Custodian	0	0	0	0	0	0
Total	44200107	100	3123	45880043	100	48185

For Dalmia Bharat Sugar and Industries Limited

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KHANNA

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Location:
Date: 2024.02.21 14:24:00:30

Aashima V Khanna
Company Secretary
ICSI Membership Number: ACS 34517

Date: February 02, 2024

Place: New Delhi

Dalmia Bharat Sugar and Industries Limited

11th & 12th Floor, Hansalaya Building, 15 Barakhamba Road, New Delhi – 110001, Delhi, India

T + 91 11 23465100 W www.dalmiasugar.com CIN: L15100TN1951PLC000640

Registered Office: Dalmiapuram, District Tiruchirapalli – 621651, Tamil Nadu, India

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SinglaMandeep& Associates

Chartered Accountants

H.O #22, New partap Nagar, Near Vita Booth, Ambala City, Haryana
 Ph: (+91) (171) 2551507, (+91) 9896099207, 7988139601
 E-Mail: casinglamandeep@gmail.com



Ref. No. SMA/2022-23/123

Date: 17.03.2024

I Mandeep Singla Partner of M/s Singla Mandeep & Associates, Chartered Accountants, New Partap Nagar Ambala city) hereby certify that asset, liabilities and net worth of Dalmia Bharat Sugar and Industries Limited as on the appointed date (01.07.2023) pre and post demerger of salem and goven travel is as per the table below:

(Rs.In Cr)			
S.no	Particulars	Pre Demerger	Post Demerger
1	Assets	3,747.01	3557.17
2	Liabilities	923.88	888.62
3	Net worth	2,823.13	2668.55

Note:- Pre & Post demerger revenues of FY 24 can be calculated only post completion of the financial year.

Place: AmbalaCity
 Date: 17.03.2024

For SinglaMandeep& Associates
 Chartered Accountants

MANDEEP SINGLA Digitally signed by MANDEEP SINGLA
 Date: 2024.03.17 13:10:22 +0530'

CA MandeepSingla
 (Partner)

M. No. : 530318

UDIN: 24530318BKCITB2090

Date: 19 March 2024

To
The General Manager
Department of Corporate Services, BSE Limited
P.J. Towers Dalal Street, Mumbai - 400001

This is to certify that Net worth of Dalmia Bharat Refractories Limited, having its registered office at Dalmiapuram, P.O. Kallakudi - 621651, Dist. Tiruchirapalli, Tamil Nadu has been calculated as under:

Net worth as on 30 June 2023 (Pre-Scheme of Merger):

Particulars	Amount (INR in Crores)
Total Assets	3,243.57
Less: Total Liabilities	480.44
Less: Reserves other than Securities Premium and Retained Earnings	629.07
Total Net worth	2,134.06

Provisional Net worth as on 01 July 2023 (Post-Scheme of Merger):

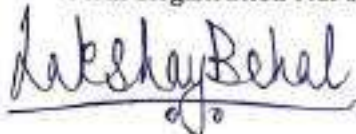
Particulars	Amount (INR in Crores)
Total Assets	3,432.74
Less: Total Liabilities	518.29
Less: Reserves other than Securities Premium and Retained Earnings	629.07
Total Net worth	2,285.38

Net worth for Pre-Scheme of Merger has been calculated as per the Auditor's Review Report on the Unaudited Financial Results of the Company and Provisional Net worth for Post-Scheme of Merger is based on the data and documents produced before us by the Company for verification.

This is to certify that the above-mentioned information is true to the best of our knowledge and belief.

The certificate is issued on the request of the company as required by BSE for Pre and Post scheme of merger of "Dalmia Magnesite Corporate" (DMC) and "Govan Travels" (GT), division of "Dalmia Bharat Sugar and Industries Limited" (DBSIL) on a "Going-concern" premise into Dalmia Bharat Refractories Limited under scheme of arrangement under section 230-232 of Companies Act, 2013 or any other applicable laws.

For CMBL & CO
Chartered Accountants
Firm Registration No. 039312N



Lakshay Behal
Partner
Membership No. 562028
Place: New Delhi
Date: 19 March 2024
UDIN: 24562028BKENCC4114





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IMPACT OF SCHEME OF ARRANGEMENT ON REVENUE GENERATING CAPACITY OF DALMIA BHARAT SUGAR AND INDUSTRIES LIMITED/COMPANY/DEMERGED COMPANY

The business presently undertaken by Dalmia Bharat Sugar and Industries Limited (directly and indirectly) comprises of Sugar, Power, Ethanol and Refractory & Travel. Refractory & Travel business being non-core, hence are proposed to be demerged.

The demerger of the Refractory business undertaking (Salem Unit) and the Travel business undertaking (GT Unit) would not impact the revenue generating capacity of the remaining business of the Demerged Company related to Sugar, Power and Ethanol business.

The segregation of DMC Unit and GT Unit from the Demerged Company will lead to the following benefits:

- Segregation of non-core businesses from sugar business;
- Efficient and focused management individually on DMC Unit, GT Unit, and sugar business; and
- Increased flexibility for value extraction and fund raise.

Accordingly, the demerger would positively impact the revenue generating capacity of the core business.

For and on behalf of
Dalmia Bharat Sugar and Industries Limited

Aashima V Khanna
Aashima V Khanna
Company Secretary



Dalmia Bharat Sugar and Industries Limited

4th Floor, Hansalaya Building, 15 Barakhamba Road, New Delhi – 110001, Delhi, India
T + 91 11 23465100 W www.dalmiasugar.com CIN: L15100TN1951PLC000640
Registered Office: Dalmiapuram, District Tiruchirapalli – 621651, Tamil Nadu, India
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Annexure M



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Particulars	Resulting Company	Demerged Company
Name of the company	Dalmia Bharat Refractories Limited (“Resulting Company” or “DBRL”)	Dalmia Bharat Sugar and Industries Limited (“Demerged Company” or “DBSIL” or “Company”)
Name of Exchanges where securities of the company are listed	Calcutta Stock Exchange Limited and Metropolitan Stock Exchange of India Limited.	BSE Limited and National Stock Exchange of India Limited.
Designated Stock Exchange	Metropolitan Stock Exchange of India Limited	BSE Limited
Brief details of the scheme	<p>The Scheme of Arrangement provides for:</p> <ul style="list-style-type: none"> • Demerger of the Demerged Undertakings consisting of DMC Unit and GT Unit (defined in the Scheme) of the Demerged Company into the Resulting Company and consequent issue of equity shares by the Resulting Company to the shareholders of the Demerged Company; • Various other matters consequential or otherwise integrally connected. The Scheme is to be implemented in accordance with Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any. 	
Exchange ratio	<i>01 equity share of Dalmia Bharat Refractories Limited of INR 10 each fully paid up for every 48.18 equity shares of Dalmia Bharat Sugar and Industries Limited of INR 02 each fully paid up</i>	
Will any of the unlisted companies seek listing pursuant to Rule 19(2)(b) of SEBI (SCRR), 1957	N.A.	N.A.
Report of Audit Committee	Audit Committee report dated February 2, 2024 of the respective companies has recommended the draft Scheme for favourable consideration.	
Valuation Report from a Registered Valuer	Messrs Valecs Ecotech Private Limited (RVE No.: IBBI/RV-E/02/2022/178)	
Fairness opinion by Merchant Banker	D & A Financial Services (P) Ltd, Category I SEBI Registered Independent Merchant Banker (licence no. INM000011484) in its fairness opinion dated February 02, 2024 has opined that the share entitlement ratio as recommended by the valuer is fair.	
Pre and post scheme Shareholding Pattern of the listed Companies	Refer Exhibit A	
Pre and post scheme Shareholding pattern of Unlisted Company 1	N.A.	

Dalmia Bharat Sugar and Industries Limited

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Minimum public shareholding in all the companies pre and post amalgamation is in compliance with Regulation 38 of SEBI (LODR) Regulations, 2015 ('Listing Regulations')	Yes, please refer Exhibit A	
Approval of shareholders through postal ballot and e-voting	Approval of shareholders through postal ballot/ e-voting will be taken as per the directions of NCLT and applicable laws as specified in clause 23.3 of the Scheme.	
Treatment of Fractional Entitlement, if any	It will be complied with as specified in clause 11.3 of the Scheme	
Compliance with Regulation 11 of the Listing Regulations	The Demerged Company, being a listed company has vide Annexure -K1 confirmed that the proposed Scheme of Arrangement to be presented to any court or Tribunal does not in any way violate or override or circumscribe the provisions of SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 1956/2013, the rules, regulations and guidelines under the Acts, the provisions as explained in Regulation 11 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or the requirements of SEBI Circular and stock exchanges.	
Statutory Auditor's certificate confirming the compliance of the accounting treatment as per SEBI Master Circular	Chaturvedi & Shah, Statutory Auditors of the Resulting Company, have provided the certificate dated February 02, 2024, confirming the accounting treatment as per SEBI Circular.	NSBP & Co, Statutory Auditors of the Demerged Company, have provided the certificate dated February 02, 2024, confirming the accounting treatment as per SEBI Circular.
Compliance Report as per SEBI circular	Compliance Report as per SEBI Master Circular has been submitted along with this application. Refer Annexure - K1 to K2.	
Net Worth Pre Post	INR 2134.06 Crore INR 2247.70 Crore	INR 2823.10 Crore INR 2481.14 Crore
Capital before the scheme (No. of equity shares as well as capital in rupees)	Refer <u>Exhibit B</u> to this letter	
No. of shares to be issued	As per the share exchange ratio mentioned above, 16,79,935.7 shares will be issued pursuant to the Scheme	NA
Cancellation of shares on account of cross holding, if any	Nil	Nil
Capital after the scheme	Refer <u>Exhibit C</u> to this letter	There will be no change in the share capital of the Demerged

Dalmia Bharat Sugar and Industries Limited

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(No. of equity shares as well as capital in rupees)		Company post the Scheme being effective.
Remarks, if any	None	None

For Dalmia Bharat Sugar and Industries Limited

AASHHIMA
V KHANNA

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DN: cn=AASHHIMA V KHANNA, o=DALMIA BHARAT SUGAR AND INDUSTRIES LIMITED, email=A.V.KHANNA@dalmiabharat.com, c=IN
Date: 2024.02.02 11:21:03.50

Aashima V Khanna
Company Secretary
ICSI Membership Number: ACS 34517

Date: February 02, 2024

Place: New Delhi

Dalmia Bharat Sugar and Industries Limited
11th & 12th Floor, Hansalaya Building, 15 Barakhamba Road, New Delhi – 110001, Delhi, India
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Registered Office: Dalmiapuram, District Tiruchirapalli – 621651, Tamil Nadu, India
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Exhibit A

Details of Shareholding* (Security Wise – Equity/Preference Share) of the Demerged Company						
SHP	Pre – Scheme			Post – Scheme		
Shareholders	No. of shares	%	Shareholders (31.12.2023)	No. of shares	%	Shareholders (31.12.2023)
Promoter	60634122	74.91	19	60634122	74.91	19
Public	20305181	25.09	45051	20305181	25.09	45051
Custodian	0	0	0	0	0	0
Total	80939303	100	45070	80939303	100	45070

Details of Shareholding* (Security Wise – Equity/Preference Share) of the Resulting Company						
SHP	Pre – Scheme			Post – Scheme		
Shareholders	No. of shares	%	Shareholders	No. of shares	%	Shareholders
Promoter	33147379	74.99	8	34405871	74.99	20
Public	11052728	25.01	3115	11474172	25.01	48165
Custodian	0	0	0	0	0	0
Total	44200107	100	3123	45880043	100	48185

For Dalmia Bharat Sugar and Industries Limited

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Date: 2024.02.21 14:24+05:30

Aashhima V Khanna
Company Secretary
ICSI Membership Number: ACS 34517

Date: February 02, 2024

Place: New Delhi

Dalmia Bharat Sugar and Industries Limited

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Exhibit B & C

Capital Structure of the Resulting Company before the Scheme:

Share Capital	INR crores
Authorized Share Capital	
20,00,00,000 equity shares of Rs. 10/- each	200
10 redeemable preference shares of INR 10/- each	0.00001
Total	200.00001
Issued, Subscribed and Paid-up Share Capital	
4,42,00,107 equity shares of Rs. 10/- each	44.20
1 redeemable preference share of INR 10/- each	0.000001
Total	44.200001

Capital Structure of the Resulting Company after the Scheme:

Share Capital	INR crores
Authorized Share Capital	
20,00,00,000 equity shares of Rs. 10/- each	200
10 redeemable preference shares of INR 10/- each	0.00001
Total	200.00001
Issued, Subscribed and Paid-up Share Capital	
4,58,80,042 equity shares of Rs. 10/- each	45.88
1 redeemable preference share of INR 10/- each	0.000001
Total	45.880001

Capital Structure of the Demerged Company before and after the Scheme:

Share Capital	INR crores
Authorised Share Capital	
202,500,000 equity shares of Rs. 2/- each	40.50
Total	40.50
Issued, Subscribed and Paid-up Share Capital	

Dalmia Bharat Sugar and Industries Limited

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8,09,39,303 equity shares of Rs.2/- each.	16.18
Total	16.18

For Dalmia Bharat Sugar and Industries Limited

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V KHANNA
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KHANNA, o=Personal
Reason: I am the author of this
document
Location:
Date: 2024.02.21 14:24:05.30

Aashima V Khanna
Company Secretary
ICSI Membership Number: ACS 34517

Date: February 02, 2024

Place: New Delhi

Dalmia Bharat Sugar and Industries Limited

11th & 12th Floor, Hansalaya Building, 15 Barakhamba Road, New Delhi – 110001, Delhi, India

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NSBP & CO.

CHARTERED ACCOUNTANTS

Auditor's Certificate

1. We, NSBP & Co., Chartered Accountants have been requested by Dalmia Bharat Sugar & Industries Limited ("DBSIL or Company"), having its registered office at Dalmiapuram Tiruchirappalli, District Tiruchirappalli Tamil Nadu 621651, to certify the attached "Statement of Computation of Pre-Scheme and Post-Scheme Net Worth of the Company" prepared by the Company for the purpose of onward submission to the National Company Law Tribunal ("NCLT"), BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE"), Securities and Exchange Board of India Limited ("SEBI") and any Other Appropriate Authority in relation to the Scheme between Dalmia Bharat Sugar and Industries Limited ("DBSIL") and Dalmia Bharat Refractories Limited ("DBRL") and their respective Shareholders proposed by the Company in accordance with the requirements of Section 230 to 232 of the Companies Act, 2013 ("the Act") and the rules made thereunder.
2. The compliance with the requirements of the Scheme is the responsibility of the Company's management.
3. The following documents have been furnished to us by the Company:
 - a. Statement of Pre-Scheme and Post-Scheme Net Worth of the Company as attached in Annexure 1.
 - b. Un-Audited Financial Results of the Company for the period ended June 30, 2023.
 - c. Certified copy of the Scheme as placed before the Board of Directors of the Company at its meeting held on February 02, 2024.
4. For the purpose of this certificate, we have verified the amounts appearing in the Statement of Computation of Pre-Scheme Net Worth of the Company as at June 30, 2023 based on Un-Audited Financial Results of the Company for the period ended June 30, 2023 and Post-Scheme Net Worth of the Company as on appointed date i.e. July 01, 2023.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Service Engagements.
6. We conducted our verification in accordance with Guidance Note on Reports and Certificates for Special Purposes and Standards on Auditing issued by the Institute of Chartered Accountants of India in so far as applicable for the purpose of this certificate. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
7. Based on the procedures, performed by us as stated above and according to the information and explanations and written representation provided to us, we certify that the Pre-Scheme Net Worth of the Company is Rs.2,823.13 crores as at June 30, 2023 and the Post-Scheme Net Worth of the Company is Rs.2,668.55 crores as on appointed date i.e. July 01, 2023.
8. This certificate is issued solely for the purpose of onward submission to the National Company Law Tribunal ("NCLT"), BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE"), Securities and Exchange Board of India Limited ("SEBI") and any Other Appropriate Authority in connection with the Scheme. This certificate may not be used for any other purpose and we shall not be liable to the Company or to any Other Party for any claims, liabilities or expenses relating to this assignment, except to the extent of fees relating to this assignment.
9. Our work was performed solely to assist the Company in meeting the requirements in relation to compliance with the Scheme. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability are in no way changed by any other role we may have (or may have had) as statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything



325, Third Floor, U. S. Complex, Opp. Apollo Hospital, Mathura Road, New Delhi-110076, India
E-mail : info@nsbpco.com Website : www.nsbpc.com

said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.

For **NSBP & Co.**
Chartered Accountants
Firm Registration Number: 001075N



Subodh Kumar Modi
Partner
Membership Number: 093684
UDIN: 24093684BKECXG5691



Place: New Delhi
Date: February 17, 2024

Annexure 1

Statement of Computation of Pre-Scheme and Post- Scheme Net worth of the Company

(Rs. In crore)

Particulars	Pre demerger Scheme as at June 30, 2023	Post Demerger Scheme as on appointed date i.e. July 01, 2023
Equity share capital	16.19	16.19
Add: Capital Reserve	4.07	4.07
Add: General Reserve	52.54	52.54
Add: Retained earnings	2,239.59	2,239.59
Add: Other Comprehensive Income	510.74	510.74
Less: Book value of Net Assets transferred to resulting Company under the Demerger Scheme	-	(154.58)
Net Worth	2,823.13	2,668.55

(Annexure to the certificate dated February 17, 2024)

For NSBP & Co.

Chartered Accountants

Firm Registration Number: 001075N



Subodh Kumar Modi

Partner

Membership Number: 093684

LUDIN: 24093684BKECXG569I



Place: New Delhi

Date: February 17, 2024

Independent Auditor's Certificate on the Statement of Computation of Net Worth as on June 30, 2023

The Board of Directors
Dalmia Bharat Refractories Limited
4-Scindia House, Connaught Place,
New Delhi - 110001,
Delhi, India.

1. This certificate is issued in accordance with the terms of our engagement with **Dalmia Bharat Refractories Limited, ("the Company")** having its registered office at Dalmiapuram, P.O. Kallakudi - 621651, Dist. Tiruchirappalli, Tamil Nadu.
2. The accompanying Statement of Net Worth as on June 30, 2023 of the Company (the "Statement"), is prepared by the management to comply with the requirements of Stock exchanges, SEBI and NCLT for filing along with the draft Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited ("DBSIL" or "Demerged Company") and Dalmia Bharat Refractories Limited ("DBRL" or "Resulting Company") and their respective shareholders ("Scheme") in terms of the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013, which we have initiated for identification purposes only.

Management's Responsibility

3. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents forming part of books of accounts. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management is also responsible for ensuring that the Company complies with the requirements of Securities and Exchange Board of India ("SEBI") and Companies Act, 2013, in relation to the proposed Scheme. The Management is also responsible for providing all the information to the SEBI and the Stock Exchanges.
5. The Management is also responsible for ensuring adherence that the details in the Statement are correct.
6. The post-Scheme provisional net-worth of the Company is calculated by the Management after giving effect of the Scheme on the assumption that the Scheme would be approved by the National Company Law Tribunal ("NCLT").

Head Office: 912, Jubilee Chambers, 212, Nariman Point, Mumbai - 400 021, India. Tel : + 91 22 26520400 + Fax : + 91 22 26520405
URL : www.cpa.india



Auditor's Responsibility

7. It is our responsibility to provide a reasonable assurance as to whether the amounts in the Statement that form part of the pre-Scheme net worth and post-Scheme provisional net worth computation as on June 30, 2023 are as per the unaudited financial statements for the period ended June 30, 2023 and determined considering the proposed accounting treatment specified in the Scheme.
8. The computation of the pre-Scheme net worth and post-Scheme provisional net worth is arithmetically correct and is in accordance with the basis of computation set out in the Statement.
9. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
10. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
11. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the applicable criteria as mentioned in paragraph 7 above. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated with the applicable criteria. Accordingly, we have performed the following procedures in relation to the Statement:
 - a) Obtained a certified true copy of the Scheme from the Company's Management, proposed to be filed by the Company with the NCLT and other regulatory authorities including Securities and Exchange Board of India and Stock exchange(s) and read the same and noted the impact of the proposed accounting treatment mentioned in 'Clauses 15.1 and 15.3' of the said Scheme and we have not performed any other procedures in this regard;
 - b) Verified that the computation of pre-Scheme net worth and post-Scheme provisional net worth is arithmetically correct and is in accordance with the basis of computation set out in the Statement.
 - c) Obtained necessary representations from Management.
 - d) Obtained unaudited financial statements for the period ended June 30, 2023 as signed by the Management of the Company.



Conclusion

12. Based on our examination, as above and according to the information and explanation and representation given to us by the Company's Management, we confirm that the amounts that form part of the pre-Scheme net worth and post - scheme provisional net worth computation as on June 30, 2023 are as per the unaudited financial statements for the period ended June 30, 2023, the Statement is arithmetically accurate and is in accordance with the basis of computation set out in the statement in particular note no. 3 of it.

Restriction on Use

13. This certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose given in paragraph 2 above and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For Chaturvedi & Shah LLP

Chartered Accountants

Firm Registration Number: 101720W/W100355

Vijay Napawaliya
Vijay Napawaliya

Partner

Membership Number: 109589

UIDIN: 24109859BKPCHA2032



Place of Signature: Mumbai

Date: 08th February, 2024

Statement of Net worth of Dalmia Bharat Refractories Limited ('the Company') as on June 30, 2023

Particulars	Amount in Crores	
	Pre- Scheme Net worth	Post - Scheme Provisional Net worth
Paid - up Equity Share capital	44.20	45.88
Total (A)	44.20	45.88
Add: Reserves		
Securities Premium	747.19	859.16
Retained Earnings	1,342.66	1,342.66
Total (B)	2,089.85	2,201.82
Net Worth (A)+(B)	2,134.05	2,247.70

Notes:

- For the purpose of above calculation, following definition of, "net worth" as defined in section 2(57) of the Companies Act, 2013, as amended, has been considered:
"net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation;
- Pursuant to Order dated 19th October 2023 of Hon'ble National Company Law Tribunal, Kolkata Bench (NCLT), Dalmia Bharat Refractories Limited ('the Company' or 'Transferee Company' or 'successful Resolution Applicant'), along with Himadri Speciality Chemical Ltd ('HSCL') as 'Strategic Partner' had completed the acquisition of Birla Tyres Limited ('Corporate Debtor' or 'Transferor Company') which had undergone the Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016 which was initiated on 5th May 2022.

Resolution plan consist of following scheme:

- Financial Restructuring Scheme (w.e.f 05th May, 2022)
- Scheme of Demerger - Demerger of tyre undertaking from BTL to DBRL (w.e.f 06th May, 2022)
- Scheme of Arrangement - Transfer of Non Operational asset of Tyre undertaking of BTL to DMSPL (w.e.f 06th May, 2022)

The above Schemes were filed with Registrar of Companies on November 04, 2023.

To give effects of the Scheme of Demerger / Scheme of Arrangement, the financial statements/ results of the Company have been restated from the appointed date.

- We confirm that the net worth of the Company as at June 30, 2023 adjusted for the effect of scheme of arrangement and are based on the restated financial statement as mentioned in note no. 2 above and is as per Section 2(57) of Companies Act, 2013. It may undergo change on the implementation of the Scheme.



4. For the purpose of determining post-scheme provisional net worth, share exchange ratio has been considered as per the Scheme, which was duly approved by the Board of Directors of the Company at their meeting held on 02nd February, 2024 and subject to approval of the requisite authorities.

For Dalmia Bharat Refractories Limited

CHANDRA NARAIN MAHESHWARI
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CHANDRA NARAIN
MAHESHWARI
Date: 2024.02.08
17:41:52 +05'30'

Chandra Narain Maheshwari
Whole Time Director & CEO

Place: New Delhi
Date: 08th February, 2024





cement! sugar! refractories! power!

VALUE OF ASSETS AND LIABILITIES OF DEMERGED UNDERTAKINGS
THAT ARE BEING TRANSFERRED

Particulars	Demerged Undertakings	
	As on 30 June 2023 (in ₹ Cr.)	
	Dalmia Magnesite Corporation (DMC Unit)	GOVAN TRAVELS (GT Unit)
Assets		
Non-Current assets	151.35	0.12
Current assets	34.10	4.23
Total Assets	185.45	4.35
Liabilities		
Non- Current liabilities	-	0.01
Current liabilities	34.13	1.07
Total Liabilities	34.13	1.08
Net Assets	151.32	3.27

For and on behalf of

Dalmia Bharat Sugar and Industries Limited

AASHHIMA
V KHANNA

Digitally signed by AASHHIMA V KHANNA
DN: cn=AASHHIMA V KHANNA
c=IN o=Personal
Reason: I am the author of this document
Location:
Date: 2024-12-29 09:50+05:30

Aashhima V Khanna

Company Secretary

Dalmia Bharat Sugar and Industries Limited

4th Floor, Hansalaya Building, 15 Barakhamba Road, New Delhi – 110001, Delhi, India

T + 91 11 23465100 W www.dalmiasugar.com CIN: L15100TN1951PLC000640

Registered Office: Dalmiapuram, District Tiruchirapalli – 621651, Tamil Nadu, India

*A **Dalmia Bharat Group** company, www.dalmiasugar.com*



VRN: IOVRVF/VAE/2023-2024/2879

Date: 02.02.2024

To,

The Audit Committee,
Board of Directors,
Dalmia Bharat Sugar and Industries Limited (DBSIL)
R.O.: Dalmiapuram, Distt. Tiruchirappalli
Tamil Nadu – 62165

And,

The Audit Committee,
Board of Directors,
Dalmia Bharat Refractories Limited (DBRL),
Dalmiapuram, Distt. Tiruchirappalli Tamil Nadu – 621651

Subject: Recommendation of Fair Equity Share Exchange Ratio

References: Intimation of appointment dated 16.11.2023

Dear Sir/Madam

We refer the engagement mail dated 16th of Nov 2023 where Dalmia Bharat Sugar and Industries Limited (DBSIL) & Dalmia Bharat Refractories Limited (DBRL) have jointly requested Valecs Ecotech Pvt Ltd – a Registered Valuer Entity to recommend fair share exchange ratio for the proposed demerger of Dalmia Magnesite Corporation (DMC) & Govan Travels (GT) (demerged undertaking) of DBSIL, on a “going concern” premise into DBRL (resulting company), pursuant to a scheme of arrangement under section 230-232 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013, read with Section 2(19AA) and other applicable provisions of the Income Tax Act, 1961 (the “Scheme”).

DBSIL & DBRL are together hereafter referred to as the “Specified Companies”.

The fair Share Exchange Ratio for the proposed Scheme of Arrangement of DMC Unit and GT Unit with DBRL is **1 equity shares of DBRL of INR 10 each fully paid up for every 48.18 equity shares of DBSIL of INR 2 each fully paid up.**

VALECS ECOTECH PVT. LTD.
Registered Valuer
IBBI/RV-E/02/2022/178

Valecs Ecotech Pvt. Ltd
Registration No. IBBI/RV-E/02/2022/178
Mobile No- 9868455181 | 9871918822

Regd Office: Office No. 303, Plot No. 1
3rd Floor Community Centre
Ashok Vihar Phase-2; Delhi- 110052
Email: valecsecotechpvt@gmail.com

The Report is subject to the scope, assumptions, exclusions, limitations, and disclaimers. As such report is to be read in totality, and not in parts, in conjunction with relevant documents referred in the report.

Executive Summary

1. Valuer's Identity:

Sl. No.	Name of Registered Valuer & Asset Class	Organisation	IBBI Registration number, Email Id, Mob Number
1	Mr. Abhay Kumar, P&M	Valecs Ecotech Pvt Ltd – a RVE	Reg. No.: IBBI/RV/02/2018/10003 km.abhay@gmail.com Mob: 9871918822 abhaykumar@valecs.in
2	Mr. Tanuj Kumar Bhatnagar, (L&B)	Valecs Ecotech Pvt Ltd – a RVE	Reg. No.: IBBI/RV/02/2018/10404 Valuer.tka@gmail.com Mob: 9868455181 valecsecotechpvt@gmail.com
3	Mr. Rajeev Dhingra, S/FA	Individual	Reg. No. IBBI/RV/06/2020/13509 carajeevdhingra.ip.rv@gmail.com ; Mob: 9910041421

2. **Client Identity:** Dalmia Bharat Sugar and Industries Ltd & Dalmia Bharat Refractories Limited
3. **Intended User:** Audit Committee, Board of Directors, Dalmia Bharat Sugar and Industries Ltd & Dalmia Bharat Refractories Limited
4. **Expert (S/FA Valuer):** Mr. Rajeev Dhingra, S/FA Valuer Reg No. IBBI/RV/06/2020/13509
5. **Asset Owner:**
 - 5.1. Dalmia Magnesite Corporation (DMC), Govan Travels a division of Dalmia Bharat Sugar and Industries Ltd (DBSIL)
 - 5.2. Dalmia Bharat Refractories Limited (DBRL) as a Company.
6. **Registered Office of the Companies:**
 - 6.1. Dalmia Bharat Sugar and Industries Limited Dalmiapuram - 621 651, District: Tiruchirappalli, Tamil Nadu
 - 6.2. Dalmia Bharat Refractories Limited, Dalmiapuram, Tamil Nadu
7. **Purpose of Valuation:** Evaluating the market/fair value of assets and liabilities associated with DMC, Govan Travels (Units of DBSIL), and DBRL. Utilizing this assessment to establish a fair share exchange ratio for the Company, in accordance with the scheme of arrangement between DBSIL and DBRL.
8. **Basis of Value:** Market Value/Fair Value
9. **Location of the Assets:** Refer respective valuation report

10. **Restriction:** This Valuation Report is confidential and has been prepared exclusively for the Management of the Companies for aforesaid purpose only. It should not be used, reproduced or circulated to any other person, in whole or in part, without our prior consent. We are however aware that this valuation report and its conclusion may be used for the purpose of Board and shareholders approvals and for certain statutory disclosures with the Stock Exchanges, NCLT and other statutory authorities in connection with the proposed scheme of arrangement and we provide our consent for the same.

11. **Important Dates**

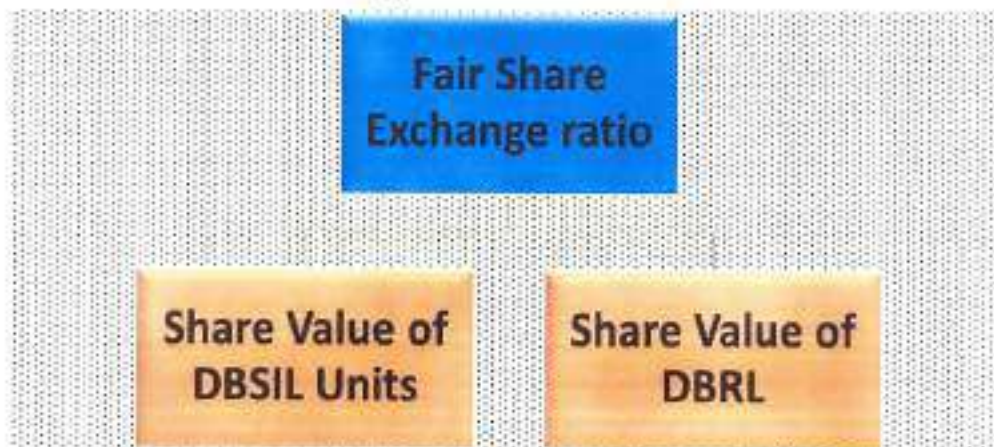
- 11.1. **Appointment Date:** 16-11-2023
- 11.2. **Date of Visit & Inspection:** Refer respective valuation report
- 11.3. **Date of Valuation:** For assets & Liabilities 31.12.2023, swap ratio calculation as on 02.02.2024
- 11.4. **Date of Executive Summary:** 02.02.2024

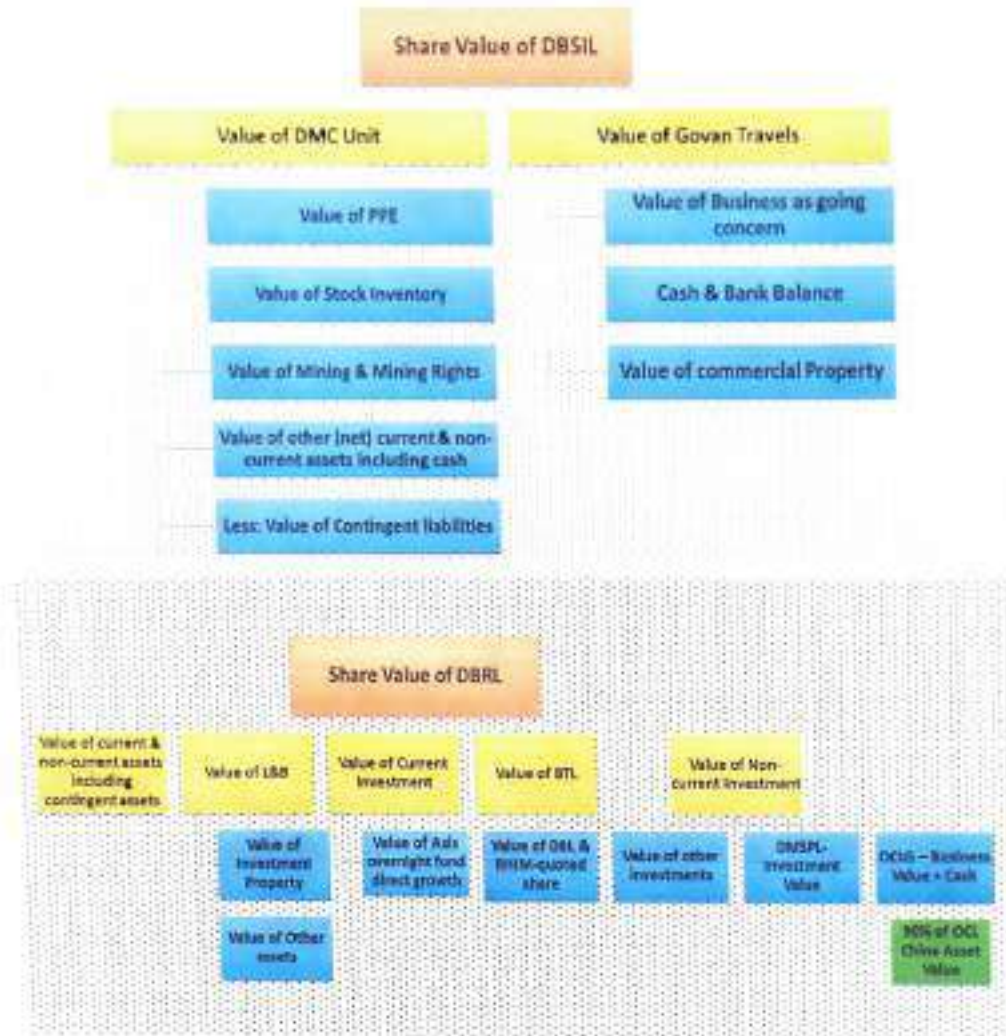
12. **Valuation Currency:** INR

13. **Valuation Standard:** International Valuation Standard & ICAI Valuation Standard

14. **Other details:** In respective Valuation Report

15. **Valuation Flow – a schematic diagram**





16. Value in INR

16.1. DBSIL entity

16.1.1. DMC

DALMIA MAGNESITE CORPORATION			
S.No.	Particulars	Value of 1 Equity Share in Rs	Reference
2	Share Value of Dalmia Magnesite Corporation	11.96	

S.No.	Particulars	Market/Fair Value in Rs. Cr.	Reference
1	Value of DMC Unit	96.82	
	Value of		
	- Land	121.48	Valecs
	- Building	15.78	Valecs
	- Plant & Machinery, Equipment	10.17	Valecs
	- Stock Inventory	15.4	Valecs
	- Mining Rights	24.28	Valecs
	- Other (net) Current & non Current Assets including Cash	54.58	
	- (less) Contigent liabilities	120.34	RD
	- (less) Other liabilities	25.93	

16.1.2. Govan Travels:

GOVAN TRAVELS			
S.No.	Particulars	Value of 1 Equity Share in Rs	Reference
1	Share Value of Govan Travels	2.08	RD

S.No.	Particulars	Market/Fair Value in Rs. Cr.	Reference
2	Value of Govan Travel	16.85	
	Value of		
	- Business as Going Concern	1.92	RD
	- Cash & Bank Balances	1.5	RD
	- Commercial Property	13.43	Valecs

16.2. Dalmia Bharat Refractories Limited (DBRL) entities

DALMIA BHARAT REFRACTORIES LTD			
S.No.	Particulars	Value of 1 Equity Share in Rs	Reference
1	Share Value of DBRL	676.50	RD

S.No.	Particulars	Market/Fair Value in Rs. Cr.	Reference
1	Value of Land & Buildings	233.28	
	Land Assets	33.83	Valecs
	BTL Assets under DBRL (Directly)	189.53	Valecs
	Commercial Property	9.9	Valecs
2	Investment Property	0.25	Valecs
3	Value of Current Assets	463.05	
	Other Assets + Tax Assets	311.19	
	Value of Axis Overnight Fund-Direct Growth	151.86	RD
4	Value of Non Current Investments	2,839.49	
	Dalmia Bharat Limited - Quoted Share Value	356.72	RD
	RHI Magnesite India - Quoted Share Value	1816.31	RD
	HBTMPL Investment Vale	0.00	RD
	DCL Global	183.7	RD
	Contingent Asset	5.24	RD
	DBRL in BTL	22.52	RD
	Other Investments	455.00	
5	Net Current Assets - Value of Liabilities	545.92	
TOTAL		2,990.15	(1+2+3+4)-Liabilities

Net of Assets & liabilities

2,990.15 RD

17. Fair equity Share Exchange Ratio:

Fair Equity Share Exchange Ratio (relative Value per Share) - Base 01-01-2024						
Particulars	DBRL		DBSL			
	Dalmia Bharat Refractories Ltd (1)		Dalmia Magnesite Corporation (2)		Govan Travels (3)	
	Value per Share	Weightage	Value per Share	Weightage	Value per Share	Weightage
	676.50	100%	11.96	100%	2.08	100%
Relative Value Per Share	676.50		11.96		2.08	
Exchange Ratio			56.55		328.96	
Overall Exchange Ratio			48.18			
1 equity shares of DBRL of INR 10 each fully paid up for every 48.18 equity shares of DBSL of INR 2 each fully paid up						

18. Annexures:

18.1. Report on Fair Equity Share Exchange Ratio

19. Undertaking

We hereby declare that

We have no direct or indirect interest in the Company

We are not a related party Dalmia Bharat Sugar Industries Limited and Dalmia Bharat Refractories Limited

We have not been an auditor of Dalmia Bharat Sugar Industries Limited and Dalmia Bharat Refractories Limited for last three years preceding date of valuation.

Thanking You

Yours' Sincerely



Director (Valecs Ecotech Pvt Ltd)
Reg No. IBBI/RV-E/02/2022/178

VALECS ECOTECH PVT. LTD.
Registered Valuer
IBBI/RV-E/02/2022/178

Enclosure: Valuation Report on Fair Equity Share Exchange Ratio

February 02, 2024

The Directors,

Valecs Ecotech Pvt. Ltd., Registered Valuer Entity,
3rd Floor, Community Centre, Ashok Vihar, Phase 2, Delhi – 110052.

Along with the intended users:

Audit Committee of the Board of Directors,
Dalmia Bharat Refractories Limited (CIN L26100TN2006PLC061254),
R.O.: Dalmiapuram, Distt. Tiruchirappalli Tamil Nadu – 621651

AND

Audit Committee of the Board of Directors,
Dalmia Bharat Sugar and Industries Limited (CIN L15100TN1951PLC000640),
R.O.: Dalmiapuram, Distt. Tiruchirappalli Tamil Nadu – 621651

Dear Sir(s) / Madam(s),

Sub: Recommendation of fair equity share exchange ratio ("Share Swap Ratio") pursuant to the proposed Scheme of Arrangement ("Scheme of Arrangement" / "Scheme") between Dalmia Bharat Sugar Industries Limited ("DBSIL" / "Demerged Company" / "Company") and DBRL transferring DMC and GT from DBSIL to DBRL against issuance of equity shares by DBRL to the shareholders of DBSIL as of February 02, 2024, the Valuation Date.

In terms of the engagement letter Dated 16.11.2023 issued to Valecs Ecotech Pvt. Ltd. (the Land & Building and Plant & Machinery Valuers / "Valecs" / "Valuers"), RVE having Registration No. IBBI / RV – E / 02 / 2022 / 178, by DBRL and DBSIL, the undersigned is engaged as SFA Valuer vide Valecs communication of even date to the undersigned.

This updated Valuation Report has been prepared for the purpose of recommending Share Swap Ratio pursuant to the Scheme of Arrangement of the companies / units, as shared by the Companies, as per the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 read along with relevant rules / regulations, applicable as may be, **as of February 02, 2024** (the "Valuation Date").

This Valuation Report is confidential and has been prepared exclusively for the management of the Companies for aforesaid purpose only. It should not be used, reproduced or circulated to any other person, in whole or in part, without our prior consent. We are however aware that this valuation report and its conclusion may be used for the purpose of board and shareholders approvals and for certain statutory disclosures with the stock exchanges of both the Companies, NCLT and other statutory authorities in connection with the proposed scheme of arrangement and we provide our consent for the same.

Yours Faithfully,

**RAJEEV
DHINGRA**

Digitally signed by
RAJEEV DHINGRA
Date: 2024.02.02 17:42:16
+05'30'



CA Rajeev Dhingra

Registered Valuer (Securities / Financial Assets)

Registration No.: IBBI/RV/06/2020/13509, ICAI RVO/RV-P00123/2020-21

UDIN: 240901588KCYNJ6049

Date: February 02, 2024

Place: New Delhi

Rajeev
VALECS ECOTECH PVT. LTD.
Registered Valuer
IBBI/RV-E/02/2022/178

Page 1 of 26

Regd. Office: BG - 5A / 48B, DDA Flats, Paschim Vihar, New Delhi 110 063;

Permanent Residence - C 237, 4th Floor, Mayfield Garden, Sector 50, Gurugram - 122018.

dhingra_fca@yahoo.com ; sarajeevdhingra.la.rv@gmail.com;



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ALECS ECOTECH PVT. LTD.

Registered Valuer

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I. INTRODUCTION

A. Purpose of Valuation

Based on discussions with the Management, this report assesses the Share Swap Ratio for the proposed Scheme of Arrangement between DBSIL and DBRL, effective July 1, 2023 ("Appointed Date"). The ratio will be determined based on the relative valuations of DBSIL's Transferor Units and DBRL's equity shares, adhering to valuation requirements under the Companies Act, 2013, SEBI regulations, and any applicable updates. As consideration for the Scheme, DBRL will issue its equity shares to DBSIL shareholders in exchange for their Transferor Units.

For the purpose of this report, DMC unit and GT unit are collectively referred to as "**Transferor Units**" and DBRL is referred to as "**Transferee Company**". Additionally, DBSIL and DBRL are collectively referred as the "**Companies**."

The report is being furnished by CA Rajeev Dhingra in the capacity of Registered Valuer (SFA) ("**SFA Valuer**") under section 247 of the Companies Act, 2013, based on Land & Building, Plant & Machinery (including inventory) and DMC unit mining rights valuations done by the concerned Valuers, which would suffice the requirements of Securities Exchange Board of India and Companies Act, 2013.

B. Identity of Client, the Appointing Authority and other Intended Users

The Directors,

Valecs Ecotech Pvt. Ltd., Registered Valuer Entity, ("**Valecs**" / "**Valuers**")

3rd Floor, Community Centre, Ashok Vihar, Phase 2, Delhi – 110052.

The intended users:

Audit Committee of the Board of Directors,

Dalmia Bharat Refractories Limited (CIN L26100TN2006PLC061254),

R.O.: Dalmiapuram, Distt. Tiruchirappalli Tamil Nadu – 621651

AND

Audit Committee of the Board of Directors,

Dalmia Bharat Sugar and Industries Limited (CIN L15100TN1951PLC000640),

R.O.: Dalmiapuram, Distt. Tiruchirappalli Tamil Nadu – 621651

C. Identity of Valuers

Sl. No.	Registered Valuer Name	Asset Class	Registered Valuers IIBBI Registration number, Email Id, Mobile Number,
1	Mr. Abhay Kumar	P&M	IIBBI Reg. No.: IIBBI/RV/02/2018/10003 // km.abhay@gmail.com ; abhaykumar@valecs.in // Mob: 9871918822
2	Mr. Tanuj Kumar Bhatnagar	L&B	IIBBI Reg. No.: IIBBI/RV/02/2018/10404 // valuer.tka@gmail.com; valecsecotechpvt@gmail.com // Mob: 9868455181
3	Mr. Rajeev Dhingra	SFA	IIBBI Reg. No.: IIBBI/RV/06/2020/13509 // dhingra_fca@yahoo.com ; carajeevdhingra.ip.rv@gmail.com // Mob: 9910041421

Per mandate through Valecs, valuation of Plant and Machinery, Land and Building, Inventory along with DMC Unit Mining Rights, for the entire assignment, would be carried out by Valecs and accordingly has been relied upon by the SFA Valuer.

D. Valuation Date of this SFA report ascertaining Share Swap Ratio

February 02, 2024.

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Company to the Resulting Company in the manner and on the terms and conditions stated in the Scheme.

H. Standards complied with, valuation basis, assumptions, scope limitations, qualifications, exclusions and disclaimers.

Our analysis and report are in conformity with the ICAI Valuation Standards (“**IVS**”) issued by the Institute of Chartered Accountants of India. The valuation basis used in arriving at valuation conclusion is ‘Fair Value’ as defined under IVS 102.

We have assessed the Valuation Date’s Share Swap Ratio based on December 31, 2023 financials, which have been validated by the Management, and Limited Reviewed by the Auditors of respective companies, besides confirmed by the Valuers, to reasonably reflect the Valuation Date position. No material changes were reported by management in the financial position, list of assets or liabilities, and business activities or confirmed by the Valuers between December 31, 2023 and the Valuation Date, and accordingly, accepted as a reasonable proxy for the fair value of equity shares of the respective Company / Units. Any industry/economic-driven value shifts in assets/liabilities during this period were factored into the Transferor Units and Transferee Company’s relative values to determine the final Share Swap Ratio as of the Valuation Date.

The Management has shared updated projections till March 2028, wherever required for Fair Valuation under Income Approach with intentions to continue the concerned unit / entity as a going concern unit / entity without disposing off the assets / business giving strong signals in support of valuation of the unit on Income Approach basis for working out fair value of the unit as against Asset Approach of valuation.

We have appraised a fully marketable, controlling ownership interest in the assets of the subject business. The appraisal was performed under the premise of value in continued use as a going concern business enterprise, excluding potential buyer’s specific synergies or economies of scale, which could not be identified or quantified for these purposes.

As such the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein and in the context of the purpose for which it is made. This report must be considered in the context mentioned herein only and is not to be considered as an advisory document for any other purpose and is subject to the scope limitations detailed in this report / in terms of assigned scope only by DBRL and DBSIL, and in turn by Valuers i.e. recommending a Share Swap Ratio in terms of the Scheme of Arrangement, as on the Valuation Date.

Determining a singular, definitive value for a business is inherently imprecise. Our estimate, is based on established valuation methods and available data, and may differ from others perspectives due to the subjective nature of goodwill and individual judgment. While not an absolute guarantee, we have used conceptually sound and commonly accepted methods and procedures of valuation in determining the estimate of value included in this report.

The draft of the present report (excluding the recommended Share Swap Ratio) was shared with the Management / Valuers for confirming the facts stated in the report and to confirm that the information or facts stated are not erroneous.

This report has been worked upon independently. Some resemblance as to structure / wordings etc. to any other report could be consequential / coincidental / in line with standard practice followed by valuers for such kind of reports.

Valuation analysis and results are specific to the Purpose and the valuation date mentioned in the report as agreed with the Management and may not be used out of the context presented herein. It is exclusively for the use of the intended Companies. The report should not be shared,



copied, distributed, reproduced, used, or made available to any persons without the express written consent of the undersigned, except those concerned as part of the legal requirements in terms of achievement of the Purpose of Valuation stated here in this report. In no event, regardless of whether consent has been provided, shall we assume any responsibility to any third party to whom the report is disclosed or otherwise made available.

This report draws on information from sources like financials and tax returns, mainly from the Company's Management. Historical data presented is for internal context only and not for external use. Our valuation utilizes this data, reviewed but not audited, for the sole purpose of this report. Accordingly, this report should not be construed, or referred to, as an audit / examination or guarantee by SFA Valuer and accordingly, takes no responsibility for such data. This report is neither an offer to sell, nor a solicitation to buy securities, and/or equity in, or assets of the Company.

Our liability for engagement under this report is limited to net fees received. We assume no liability for losses arising from the Company's fraud, misrepresentations, or intentional misconduct.

The Company and its representatives warranted to us that the information they supplied was complete and accurate to the best of their knowledge and that the financial statement information reflects the Company's results of operations and financial condition, unless otherwise noted. Information supplied by the Management has been accepted as true and correct, and we express no opinion on that information.

We have relied upon representations of owners, the Management and other third parties concerning value and useful condition of all equipment, real estate investments, investment used in business, and any other assets or liabilities except as specifically stated to the contrary in this report.

We have relied on the valuation of Plant and Machinery, Land and Building, Mining Rights and Inventory Valuation, of the units / entities under consideration, done by the Valuers all the more since the current valuation exercise involved technical expertise of relevant professionals. We have not attempted to confirm whether or not all assets of the business are free and clear of liens and encumbrances, or that the Company has good title to all assets.

We have assumed that there is full compliance with all applicable central and state regulation, and laws unless otherwise specified.

Any recast financial statements, forecasts, or proforma statements are result of data provided by the Company, their officers, or representatives, or are based on assumptions as indicated in this report. Such recast, forecasted, or proforma statements may not anticipate the economic, socioeconomic, political, market, or legal factors, which may impact the operations of the subject company. Accordingly, SFA Valuer makes no representations, express or implied, as to the validity of such recast, forecasted, or proforma statements.

SFA Valuer has no financial interest beyond the agreed professional fee for this valuation, in any involved company/unit or associated professionals. We may have past professional dealings with individuals involved in this assignment, but hold no current audit or audit-related relationships with the company or its associates.

We have no responsibility or obligation to update this report for events or circumstances brought to our attention or occurring subsequent to the date of this report. The fee for the engagement and this report is not contingent upon the results reported.

The report sets out our recommendation of Share Swap Ratio and discusses the methodologies and approach considered in the computation of the relative values of the Transferor Units and the Transferee Company.

For the purpose of this exercise, we were provided with both written and verbal information

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including information detailed in the para 'Sources of Information'. Further, the responsibility for the accuracy and completeness of the information provided to us by the Companies/auditors/consultants is that of the Companies. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Management that they have not omitted any relevant and material factors about the Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements by the Management may materially affect our valuation analysis/conclusions. Our work does not constitute an audit, due diligence or certification of these information referred to in this report including information sourced from public domain. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any information referred to in this report and consequential impact on the present exercise. However, nothing has come to our attention to indicate that the information provided/obtained was materially misstated/incorrect or would indicate reasonable grounds upon which not to base the report.

The Management has represented that the Companies have clear and valid title of assets. No investigation on the Companies' claim to title of assets has been made for the purpose of this valuation and their claim to such rights has been assumed to be valid.

Our recommendation is based on the estimates of future financial performance as projected by the Management, which represents their view of reasonable expectation at the point of time when they were prepared, after giving due considerations to commercial and financial aspects of the Companies/Units and the industry in which the Companies/Units operate. But such information and estimates are not offered as assurances that the particular level of income or profit will be achieved or events will occur as predicted. As part of our evaluation process, we have evaluated the reasonableness of the projections prepared by the Management and had discussion with the Management to understand the basis and assumptions for the preparation of projections. Actual results achieved during the period covered by the prospective financial statements may vary from those contained in the statement and the variation may be material. The fact that we have considered the projections in this exercise of valuation should not be construed or taken as being associated with or a party to such projections.

A valuation of this nature involves consideration of various factors including those impacted by prevailing market trends in general and industry trends in particular. This report is issued on the understanding that Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies/Units and any other matter, which may have an impact on our opinion, on the fair value of the shares of the Companies/Units including any significant changes that have taken place or are likely to take place in the financial position of the Companies/Units. Events and transactions occurring after the date of this report may affect the report and assumptions used in preparing it and we do not assume any obligation to update, revise or reaffirm this report.

Our report is not to be, nor should it be, construed as opining or certifying the compliance of the proposed transaction with the provisions of any law including companies, competition, taxation (including transfer pricing) – direct / indirect and capital market related laws or as regards any legal implications or issues arising in India or abroad from such Scheme of Arrangement.

The decision to carry out the transaction (including consideration thereof) lies entirely with the Management. Our work and our finding shall not constitute a recommendation as to whether or not the Management should carry out the transaction.

Neither the Valuers, the SFA valuer, nor its employees / associates make any representation or warranty, express or implied, as to the accuracy, reasonableness or completeness of the information, based on which the valuation is carried out. All such parties expressly disclaim



any and all liability for/or based on or relating to any such information contained in the valuation.

I. Valuation Approach

For valuing the Company / the Transferor Units, we considered three approaches to valuation - the market approach, the income approach and the asset approach. We have reviewed and analysed several methods and their results to determine which methods would generate the most reasonable opinion of value of their operations as on the Valuation Date. A description of the methods used and the methods considered but not used are included within this report.

Our opinion is based on review analysis and interpretation, among other things, of our estimate of the risks faced, internal factors like financial position and results of operations as well as external factors like status of the economy and position influencing the Company / Transferor Units relative to the industry besides the return on investment that would be expected on alternative investments with similar levels of risk.

J. Nature and Sources of Information Used or Relied Upon.

Our fair value opinion rests on all relevant procedures, financial information, authenticated data from Management, public sources, and discussions to understand the businesses and key factors, and analysis of the factors affecting the Companies and selection of appropriate valuation methodologies as a result thereof.

Our recommendation at Share Swap Ratio is based on the information listed below.

- Proposed Scheme of Arrangement between DBSIL and DBRL.
- Carved out financial statements of the Transferor Units as of and for the years / period ended March 31, 2019 through December 31, 2023.
- Projected financial statements of GT Unit as shared by the management as of and for the period / years ending March 31, 2024 through March 31, 2028.
- Projected income statement related to mining operations for the period/years ended March 31, 2024 through March 31, 2030
- Limited reviewed financial statements and list of assets of DBRL as of and for the period ended December 31, 2023.
- Financial statements and list of assets of OCL Global Limited duly Reviewed and OCL China Limited duly Audited as of and for the period ended December 31, 2023.
- Projected income statements of OCL Global Limited as shared by the management as of and for the period / years ending March 31, 2024 through March 31, 2028.
- Summary of fixed assets assessment provided by a Chinese valuer, held by OCL China Limited as of March 31, 2023, dated May 19, 2023 duly revalidated to be valid as on December 31, 2023 vide Management letter dated January 24, 2024.
- Valuation Report(s) for the valuation of land and building, plant and machinery, inventory and mining rights held by DBRL, DMC Unit and GT Unit, bearing reference date as 25-01-2024 / 02-02-2024 issued by Valuers, the RVE for Land & Building and for Plant & Machinery, appointed by DBRL / DBSIL as part of this valuation exercise.
- Resolution Plan submitted by DBRL as successful Resolution Applicant, duly approved vide Hon'ble NCLT, Division Bench, Court No. II, Kolkata delivered on October 19, 2023 for acquisition of Birla Tyres Ltd., that underwent CIRP, through IBC process along with the said order of Hon'ble NCLT.
- Financial statements as on 31.03.2023 of Veeda Clinical Research Limited ("Veeda") along with investment PPT and Valuation Report prepared for Veeda as taken into account for investment.



- Valuation report as on May 31st, 2023 as well as on October 31, 2023 of Hippostores Technology Pvt. Ltd. as taken by Hippo.
- Data extracted from publicly available sources believed to be reliable and true.
- Discussions with the Management / Valuers, and other quantitative and qualitative data.

Supporting data, copies of source documents and other pertinent information supporting our opinion of value are maintained in our files for future reference and record.

II. OVERVIEW.

A. DALMIA BHARAT REFRACTORIES LTD. (“DBRL”)

Post transfer of Indian refractory business to RHI Magnesita India Limited in January 2023, DBRL is focusing on restrengthening of its carved out refractory business and revival of recently acquired tyre business, as of the Valuation Date, besides having various investments across different asset classes and geographies.

SHARE CAPITAL STRUCTURE OF DBRL as on Valuation Date:

Issued, Subscribed and Paid-up Share Capital	IN INR Crores
4,42,00,107 equity shares of Rs. 10/- each	44.20
1 redeemable preference share of INR 10/- each	0.0000001
Total	44.2000001

Equity Shareholding Pattern of DBRL as on Valuation Date:

Category of Shareholders	Number of Equity Shares	% holding
Promoter and Promoter Group	3,31,47,379	74.99
Public	1,10,52,728	25.01
Total	4,42,00,107	100

DBRL has allotted 1 redeemable preference share of INR 10/- to Himadri Specialty Chemical Limited on December 28, 2023, in terms of order of Hon’ble NCLT, for scheme of demerger annexed to the approved resolution plan of BTL.

INVESTMENTS OF DBRL

Brief description of investments of DBRL in various Indian / Overseas entities, either directly or through step down subsidiaries is given herein below.

A. Indian Investments

Quoted Investments in equity shares

DBRL has made investment into equity shares of Dalmia Bharat Limited and RHI Magnesita India Limited, which are listed on BSE and NSE.

Unquoted Investments in equity shares

Pursuant to order dated October 19, 2023, delivered by Hon’ble National Company Law Tribunal, Kolkata Bench (“**NCLT Kolkata**”) under IBC process, DBRL has subscribed to 99.99% equity* in Birla Tyres Limited (“**BTL**”). DBRL also holds 99.99% equity investment in Himadri Birla Tyre Manufacturer Private Limited (formerly known as Dalmia Mining and Services Private Limited) (“**HBTMPL**”).

**Vide the same order, NCLT Kolkata, while approving the resolution plan has also approved extinguishment of earlier existing capital and allowed delisting of BTL, which is yet to be completed, due to which Birla Tyre Limited, has been considered as an unlisted company as on Valuation Date.*

Investment in unquoted NCDs / OCDs / Mutual funds

DBRL also holds investments in NCDs / OCDs of few Private Limited Company / listed mutual funds as part of its financial planning.



B. Overseas Investments:

DBRL also holds 100% equity interest in OCL Global Limited, Mauritius ("OGL") and OGL holds 90% equity interest in OCL China Limited, China ("OCL"), making OCL as the step down subsidiary of DBRL.

K. DALMIA BHARAT SUGAR INDUSTRIES LTD.

Since DMC unit and GT unit are business undertakings of DBSIL, presented hereunder is the share capital structure and shareholding pattern of DBSIL as of the Valuation Date.

Share Capital Structure of DBSIL as on Valuation Date:

Issued, Subscribed and Paid-up Share Capital	IN INR Crores
8,09,39,303 (8,09,39,303) ordinary equity shares of Rs. 2/- each	16.19
Total	16.19

Equity Shareholding Pattern of DBSIL as on Valuation Date:

Category of Shareholders	Number of Equity Shares	% holding
Promoter Shareholding	6,06,34,122	74.91
Public	2,03,05,181	25.09
Total	8,09,39,303	100

L. DMC UNIT

DMC unit, located in Salem, Tamil Nadu, India, established in 1947, is engaged in – Mining and Refractory Manufacturing Operations. As part of DMC Unit's mining operations, DBSIL has taken on lease a mine for the mining of Magnesite and Dunit. According to information provided by the Management, the mine has been non-operational for the past more than five years for want of various regulatory clearances. DMC unit is primarily engaged in manufacturing of refractory products viz. Dead Burnt Magnesite, magnesia carbon bricks, monolithic, Ramming Mass, and Insulator Cement etc. in its plant, which has been operating at a very low-capacity utilisation and generated very insignificant revenue and cash flows during the historical period reviewed.

Mining Rights of DMC Unit

A Mining Lease was granted to Dalmia Cement (Bharat) Limited ("DCBL"), renamed as DBSIL in 2010, vide Mining Lease agreement dated August 20, 1966. Leased land area was 562.358 hectares situated at Chettichavadi Village, Salem with a validity of 20 years. The lease was renewed on March 30, 1998, for an area of 1,314 acres by the State Government with retrospective effect from August 20, 1986 for next 20 years. As on the Valuation Date, in terms of the order of Commissionerate of Geology and Mining dated September 12, 2022, the mine lease rights, for captive consumption purposes, have been extended upto period ending on March 31, 2030 under 'deemed extended provisions'. However, presently the mine is not in operations due to pendency of some regulatory approvals and requisite Government clearances.

M. GT UNIT

Business History and Background

Established in 1972 as part of DBSIL, GT Unit operates in the travel and tourism sector, offering services like hotel bookings, car rentals, passport and visa processing, and other travel-related activities, and mainly provides services to its affiliate/group entities. GT Unit is accredited by International Air Transport Association ("IATA"), the Department of Tourism and Ministry of External Affairs, Government of India. GT unit is a member of International Travel associations



including Indian Association of Tour Operators ("IATO"), Travel Agents Association of India ("TAAI"), Parallel Advanced Technology Attachment ("PATA"), American Society of Travel Advisors ("ASTA"), and United Federation of Travel Agents' Associations ("UFTAA") as well. As of the Valuation Date, GT operates from three centres located across India wherefrom it carries out its commercial activities.

Share Capital structure and Shareholding Pattern of DMC Unit and GT Unit

Since DMC Unit and GT unit, the two units being transferred as part of this Scheme of Arrangement are part of DBSIL only, the shareholding pattern of DBSIL presented herein above will be applicable for the DMC Unit and GT Unit as of the Valuation Date as well.

III. OPINION OF VALUE

N. VALUATION APPROACHES AND METHODOLOGIES

Share valuation, involves inherent subjectivity. M&A valuation focuses on "relative values" for share swap ratios, considering company specifics and industry context. Different approaches - asset-based, earnings-based, etc. - suit different circumstances, like valuing a manufacturer versus an investment company. Notably, value is time-specific and influenced by prevailing economic, industry, and company conditions at the valuation date. Basis of valuation would depend upon the purpose of valuation, the type of business, the future prospects and other attendant circumstances.

The below table summarizes the approaches and methodologies of valuation with our comments.

O. RECOMMENDATION OF SHARE SWAP RATIO

Approach	Valuation Methodologies	Our Comments
Asset	Net Asset Value (NAV) Method	The Asset based method views the business as a set of assets and liabilities that are used as building blocks of a business value. The difference in the net adjusted value of these assets and liabilities on a Book Value basis or Realizable Value basis or Replacement Cost basis is the business value recognizing historical cost of net assets only without recognizing its present earnings, comparative financial performance of its peers and their enterprise values etc. In general Net Asset Value reflects the minimum proxy value of the company. In general, it is not advised completely for companies intended to be continued on a 'going concern basis' / operating business.
Market	Comparable Companies Trading Multiples (CCM) Method	This methodology uses the valuation ratio of publicly traded listed companies and applies that ratio to the subject company being valued. The valuation ratio typically expresses the valuation as a function of a measure of financial performance or Book Value (e.g., Revenue, EBITDA, EBIT, Earnings per Share or Book Value). A key benefit of Comparable Companies Trading Multiples / Transaction Multiples analysis is that this methodology is based on the current market / transaction price of peer companies which is generally viewed as one of the best valuation metrics as an observable input.
	Market Price Method	For public listed company on NSE / BSE etc. and where equity shares are frequently traded, to arrive at Equity Value per share, we apply pricing methodology prescribed under SEBI Preferential allotment guidelines as per Regulation 164 of SEBI ICDR Regulations, 2018.
Income	Discounted Free Cash Flow (DFCF) Method	Income approach provides an estimate of the present value of the monetary benefits expected to flow in future to the owners of the business requiring projections of cash flows that business is expected to generate. These cash flows are then converted to their present value by means of discounting, using a rate of return that accounts for the time value of money and the appropriate degree of risk in the investment. The value of the business is the sum of the discounted cash flows. The DFCF method expresses the present value of the business as a function of its future cash earnings capacity. The value of the firm is arrived at by estimating the Free Cash Flows (FCF) to Firm and discounting the same with Weighted Average cost of capital (WACC). In the DFCF approach, the appraiser estimates the cash flows of any business after all operating expenses, taxes, and after accounting for necessary changes in working capital and Capex.

Based on the stated Purpose as to determining a Share Swap Ratio for the transfer of DMC and GT from DBSIL into DBRL as on the Valuation Date, the valuation would have to be done after taking cognizance of all the factors and methodologies mentioned herein above. For Share Swap Ratio, we need to work out relative value of shares of the Companies / Units to facilitate



determination of an exchange ratio albeit without attempting to arrive at the absolute values of the shares of each company, for which we need to give appropriate weightage to the values arrived at under each approach. That way even after using different methods that would yield different values, for recommending an exchange ratio, we will arrive at a single value for the shares of the companies/units.

The capitalization of FCFE / FCFF is a single-period method that assumes a stable level of cash flow. The projected free cash flow is capitalized using an appropriate capitalization rate. It is important that any income or expense items generated from non-operating assets and liabilities be removed from estimated future benefits prior to applying this method. The fair value of net non-operating assets and liabilities is then added to the value of the business derived from the capitalization of earnings. This method is appropriate for valuing companies which have reached a stable stage and are expected to generate a stable level of cash flow in the future years. As stated earlier, DBRL after transfer of its Indian refractory business is focusing on restrengthening of its carved out refractory business and revival of recently acquired tyre business. The available resources as of now are being deployed towards various quoted and unquoted investments. Hence, DBRL as on the Valuation Date does not generate significant operational income to justify the use of the income approach as an appropriate method of valuation. After careful consideration of each method's underlying assumptions and variables needed for this method, we concluded that DCF method should not be used to value DBRL.

Comparable Company / Transaction Multiple Method (CCM) involves reviewing valuation / transaction multiples for companies that are in the same or similar line of business as the company being valued and then applying the relevant valuation / transaction multiples to the subject company to determine its value. Due to the fact that DBRL majorly holds a wide variety of investments across multiple asset classes, different geographies, different proportions of investments inter se, different production cycles the calculation of these valuation multiples along with application of weightage around them would not yield the appropriate result. Accordingly, use of this method as well was not considered to be appropriate for DBRL. DBRL equity shared though listed on Metropolitan Stock Exchange and Calcutta Stock Exchange but are not very actively traded due to which a computation based on traded price too would not have resulted in fair valuation of shares and accordingly was not considered to be an appropriate valuation method. Hence the guideline / comparable public company / transaction method in terms of **Market Approach** will not be appropriate for which market approach has not been used.

Adjusted net asset value method is an asset-based approach to valuation where the value of the business is based on the difference between the fair value of the assets and liabilities of the business primarily used for estimating value of a non-operating business, such as real estate holding company, or a business that is continuing to generate losses, or which is expected to be liquidated. As of the Valuation Date, DBRL value is majorly dependent upon value of its assets, including investment assets and liabilities. Accordingly, we have applied the adjusted net asset value method under **Asset Approach** to compute fair value of its equity shares. And for the same it is necessary to compute fair value of the entities DBRL has its investments into using the appropriate valuation approaches for respective investments. Tabled below are the approaches and methodologies adopted for valuing various assets / units / entities under consideration as on Valuation Date.

<u>Asset Description</u>	<u>Valuation Approach and Method used</u>	<u>Grounds for option used</u>
<p>DBRL. For deriving Fair Value of DBRL, sum of parts methodology has been opted, and not market price method since shares of DBRL are not actively traded, and market price will not yield appropriate Fair Value of DBRL.</p>		



Chinese subsidiary (Subsidiary to Mauritius entity)	Asset Approach - Adjusted net asset value method	Entity working much below the capacity, DCF will not give correct Fair Value
Mauritius entity - subsidiary of DBRL	Market Approach - DCF method based on business projections shared by Management + cash and bank balance.	Proportionate Value derived for Chinese Investment + fair value through DCF method, since from Mauritius, primarily trading activities take place with negligible assets base. DCF method gives most appropriate Fair value
DBL Shares and Mutual Fund Investments	Market approach - Quoted: share price / Mutual Fund value	DBL and Mutual Fund Investments are actively traded on stock exchanges therefore quoted market price has been considered.
RHI shares	Market approach - Quoted share price (with Put Option Discounting)	RHI is an actively traded share but for disposing such huge quantity without affecting sale price, longer time period would be required, and therefore market rate with Put Option has been considered.
BTL and HBTMPL -asset acquired under IBC route	Asset Approach - Adjusted net asset value method	Post acquisition of these assets Management has got 'Purchase Price Allocation' valuation done through IBBI Registered Valuers, which has been re-confirmed by the Valuers as well. In Tyre vertical, no commercial activities have commenced as yet. It was appraised by the Management as well as the Valuers that as of now time period required for commencement of commercial activities, its cost impact, cannot be predicted with reasonable accuracy. Due to this, besides various legal cases going on around this acquisition, Adjusted Net Asset Value method has been adopted for valuation of these assets.
NCD / OCD / other unlisted investment in closely held Private / Public limited unlisted Companies	Asset Approach - Book Value – Invested amount	No public data for these companies are available to evaluate any Market comparison or opt for adjusted book value method, book value of these investments have been taken as Fair Value. Moreover, these Investments have been made recently during FY24 itself, not much variance is perceived in these investments.
DMC Unit of DBISL – Mine located in Chettichavadi Village, Salem, Tamil Nadu is being transferred as part of the Scheme of Arrangement. Mining rights are available till 31.03.2030. Based on recent developments on pending procedural clearances, the Management have stated that they are hopeful that EC clearance shall be obtained and production cum sale restored in about a year or so.		
Mining Rights	Income Approach - DCF Method	As on Valuation Date though mining is suspended, but for valuation of leased mining rights - primary value lies in mining and trading of mined produce, fair value through DCF method has been considered.
Manufacturing stream	Asset Approach - Adjusted net asset value method	Since this stream is working much below the capacity, and with huge land bank, plant and machinery, available inventory, other net assets and liabilities available; DCF will not give correct Fair Value hence adjusted net asset value method



		used.
GT Unit of DBSL		
GT business valuation	Income Approach - DCF Method	DCF method for future earnings, being unit / entity having revenue generation from business operations for arriving at Fair Value as on Valuation Date.
Commercial Property in GT unit	Asset Approach - Adjusted Net Assets Value method - Market value of property (HABU adjustment)	For GT commercial property, HABU has been considered since alternative use of the property, with notional rent as expense, yielded an appropriate fair value of the GT unit as a whole.

All this has been explained and captured in reasonable details appropriately at relevant places in this report.

Accordingly, various approaches / methods discussed above have been applied independently, as were considered appropriate to arrive at assessment of the relative values per equity share of the companies/units. To achieve the purpose of arriving at a consensus on fair equity share exchange ratios for the Scheme of Arrangement, minor adjustments / rounding off, as required, too have been suitably resorted to the relative values thus arrived at.

In line with requirements specified in BSE Circular number LIST/COMP/02/2017-18 dated May 29, 2017 and NSE Circular number NSE/CML/2017/12 dated June 01, 2017 and in view of considerations submitted herein above and on consideration of all the relevant factors and circumstances as discussed and outlined in this report, we recommend the undermentioned Share Swap Ratio for the proposed Scheme of Arrangement:

Valuation Approach	Dalmia Bharat Refractories Limited (1)		Dalmia Magnesite Corporation (2)		Govan Travels (3)	
	Value Per Share	Weightage	Value Per Share	Weightage	Value Per Share	Weightage
Asset Approach	678.50	100.0%	11.96	100.0%	NA	0.0%
Income Approach	NA	0.0%	NA	0.0%	2.08	100.0%
Market Approach	NA	0.0%	NA	0.0%	NA	0.0%
Relative Value Per Share	678.50		11.96		2.08	
Exchange Ratio			56.56		325.04	
Overall swap Ratio - DBSL / (GT + DMC) - in shares terms			= A / (B + C)		48.18	

This Swap Ratio reflects a relative valuation of company shares, considering both quantitative analyses (explained methods) and qualitative factors impacting business dynamics and growth potential. It draws on available information, management perspectives, and key assumptions while acknowledging inherent limitations. Ultimately, sound judgment and discretion are vital, considering intangible factors like competition, market sentiment, and comparable yields, which significantly influence share value.

CHAPTER 1: VALUATION OF DALMIA MAGNESITE CORPORATION VIA THE ADJUSTED NET ASSET VALUE METHOD

The adjusted net asset value method is an asset-based approach to valuation, where value of business is based on difference between fair value of assets and liabilities of business. The adjusted net asset value has been computed based on financials of DMC Unit as shared by Management, and duly confirmed by Valuers, as of December 31, 2023 and accepted as a reasonable proxy for the fair value of equity shares of DMC Unit as of the Valuation Date.

Relevant details in relation to valuation of DMC Unit via the adjusted net asset value method is presented in Table DMC 1.



Adjusted Net Asset Value of DMC unit of DBSIL as of February 2, 2024					
<i>In INR Crores</i>					
	Unadjusted Value as of December 31, 2023	Adjustments	Notes	Fair Market Value as of February 2, 2024	% of Total Assets
Assets					
NonCurrent Assets					
Fixed Assets					
Property, Plant and Equipment	149.38	0.05	DMC 1	149.43	61.22%
Capital work - in - progress	0.42	-		0.42	0.17%
Other Non Current Assets	0.27	-		0.27	0.11%
Total Non-Current Assets	150.07	0.05		150.12	61.50%
Current Assets					
Inventories	14.34	1.06	DMC 1	15.40	6.31%
Cash And Cash Equivalents	40.88	-		40.88	16.75%
Others	0.05	-		0.05	0.02%
Receivables	11.77	-		11.77	4.82%
Other Current Assets	1.59	-		1.59	0.65%
Total Current Assets	68.62	1.06		69.68	28.55%
Additional Assets					
Mining Rights Value	-	24.28	DMC 1	24.28	9.95%
Total Additional Assets	-	24.28		24.28	9.95%
Total Assets	218.69	25.39		244.08	100.00%
Liabilities					
Non-Current Liabilities					
Provisions	(0.01)	-		(0.01)	0.00%
Total Non-Current Liabilities	(0.01)	-		(0.01)	0.00%
Current Liabilities					
Financial Liabilities					
Borrowings	2.70	-		2.70	1.11%
Trade Payables - Others	3.03	-		3.03	1.24%
Other Financial Liabilities	0.12	-		0.12	0.05%
Other Current Liabilities	1.39	-		1.39	0.57%
Provisions	19.70	-		19.70	8.07%
Total Current Liabilities	26.93	-		26.93	11.03%
Total Liabilities	26.93	-		26.93	11.03%
Additional Liabilities					
Contingent Liability					
Not provided for	-	120.34	DMC 2	120.34	49.31%
Total Additional Liabilities	-	120.34		120.34	49.31%
Adjusted Net Asset Value	191.77	(94.96)		96.81	39.66%
Concluded Value (INR In Crores)				96.81	

As presented in Table DMC 1 herein above, the adjusted net asset value of DMC Unit is INR 96.81 crores (rounded) as of the Valuation Date

NOTES TO TABLE DMC 1:

- **Note DMC 1: Inventory, PPE, Mining Rights:**

As DMC Unit involves specialized area of operations and technical expertise for its valuation, fair value of Inventory, PPE and Mining Rights of the Unit has been considered based on valuation report of the Valuers. DMC Unit holds mining rights for mining of Magnesite and Dunnite in Chettichavadi Village, Salem up to March 31, 2030. The Management has provided the projected income statements for this mine for the years ending March 31, 2024, through March 31, 2030, based on which fair value of the Mining Rights using DCF method has been computed by the Valuers and the same has been considered and relied upon in this report to arrive at fair equity share exchange ratio as on the Valuation



Date. The projections made by the Management have been evaluated by the Valuers and found acceptable. The fair value of the mining rights is computed to be INR 24.28 crores as of the Valuation Date.

- Note DMC 2: Contingent Liabilities:

Due to ongoing litigation with certain government authorities in respect of operations of currently closed mines and certain mine closure obligations expected to be incurred in the year 2030 at the time of handing over of the mines on expiry of the lease, we have worked out a contingent liability of INR 120.34 crores, summarized as under, as on the Valuation Date which has been adjusted to arrive at Fair Value of Equity Shares Exchange Ratio.

Dalmia Mining Unit -Contingent Liability	INR Crores
Demand of INR 79.88 crores in respect of Surface compensation for the period from August, 1966 onwards along with interest based on probability estimation assigned	118.70
Other Contingent liabilities including Mine Closure estimated liability based on estimate on Mine Closure Expenses shared by Management	1.65
Total	120.34

Valuation of One Equity Share of DMC Unit

DMC Unit is a business undertaking of DBSIL and part of the proposed Scheme of Arrangement. We have taken into account the total number of outstanding equity shares of DBSIL to determine the fair value of one equity share of DMC for our valuation analysis. In Table DMC 2, we have presented the computation of the value of one equity share of DMC Unit as of the Valuation Date.

Table DMC 2

Dalmia Magnesite Corporation Valuation of One Equity Share	
Indicated Equity Value (In INR Crores)	96.81
Divided by Number of Equity Shares Outstanding of DBSIL	80,939,303
Indicated Value per Equity Share of Dalmia Magnesite Corporation as of the Valuation Date (In INR)	11.96

CHAPTER 2: VALUATION OF GOVAN TRAVELS VIA DCF METHOD

Overview

As previously discussed, given the business activities of GT Unit, its value is determined by using the discounted cash flow method along with addition of cash in hand and fair value of the Commercial Property on best use basis. The projected financial for the period / years ending March 31, 2024, through March 31, 2028, have been provided by the Management. The projections made have been evaluated in line with current activities and found acceptable.

Key inputs for calculation of the projected Free Cash Flow to Equity, ("FCFE") of GT Unit are presented as follows.

1. Projected Net Income

One of GT Unit is currently running from its self-owned property. On enquiry based, on the estimated area requirement of the Unit to run from a rented office around the same premises where currently the operations are being run, notional rent of that area has been considered since fair value of the property has been included in the adjusted net asset value to arrive at fair value of the GT unit. Similarly, prevailing Corporate Income Tax rate too has been charged on income of the Unit as uptill now no Income Tax at unit level was being charged.

Capital Expenditures and Depreciation



The capital expenditures and depreciation have been provided to us by the Management, which were found acceptable, and has been considered accordingly in the valuation.

2. Normalized Change in Net Working Capital

The Company's non-cash, non-debt, net working capital turnover ratio for FY 2023 and till Q3 FY24 are assumed to be at normal levels and used for DCF working going forward as well. The computation of non-cash, non-debt, net working capital ratio for the period / years ending March 31, 2024, through March 31, 2028 has been used and considers 31.12.2023 numbers provided for GT Unit by the Management as its base.

3. Borrowing/Debt Repayment

As of December 31, 2023, Govan Travels does not have any debt outstanding. As a result, the debt repayment is assumed to be NIL for the projection period.

4. Determination of Discount Rate

Capital Asset Pricing Model ("CAPM") has been used to determine the present value of the cash flows that are available to equity shareholders (i.e. FCFE) with cost of equity, since it reflects fair return to the equity shareholders. Government of India 10 years bond rate has been considered for Risk free return. Equity risk premium estimates have been taken based on 'NIFTY Total Returns' from December' 2001 till date. Also, Beta relating to Business or Consumer Services as available on Aswath Damodaran site has been considered.

A combined discount for scale of operations / industry specific risk / more concentration on in house activities / operating from just three locations only / comparatively no entry barrier / more & more on line business / huge un-organised sector presence / increasing personal travel due to improvement in road infrastructure has been applied in addition to expected equity returns, under 'Build up method' to arrive up reasonable discount to be applied.

Valuation of Govan Travels in its entirety

The value computed after including fair value of property as valued by the Valuers for INR 13.43 crores, the equity value of the GT Unit comes to INR 16.85 crores, including cash and cash equivalent of INR 1.50 crores, as on the Fair Valuation Date. This adjusted net asset value has been computed based on the financial statements of GT Unit as shared by Management as of December 31, 2023, which has been accepted as a reasonable proxy for the financial position of the GT Unit as of the Valuation Date.

Valuation of One Equity Share of Govan Travels

GT Unit is a business undertaking of DBSIL. We have taken into account the total number of outstanding equity shares of DBSIL to determine the fair value of one equity share of GT Unit for our valuation analysis and per this the concluded value per share of the GT Unit is computed to be INR 2.08.

Dalmia Group - Govan Travels Valuations	
Valuation of One Equity Share	
Indicated Equity Value (in INR Crores)	16.85
Divided by Number of Equity Shares Outstanding of DBSIL	80,930,303
Indicated Value per Equity Share of Dalmia Magnesite Corporation as of the Valuation Date (in INR)	2.08

CHAPTER 3: VALUATION OF DALMIA BHARAT REFRACTORIES LIMITED VIA ADJUSTED NET ASSET VALUE METHOD

Adjusted net asset value has been computed based on the limited reviewed numbers of DBRL as of December 31, 2023, which has been accepted as a reasonable proxy for the financial position of the DBRL as of the valuation date. As evident from Table DBRL-1, the adjusted net asset value of DBRL is INR 2,990.15 crores.



Table - DBRL 1

Dalmia Bharat Refractories Limited					
Adjusted Net Asset Value as of February 2, 2024					
in INR Crores					
	Unadjusted Value as of December 31, 2023	Adjustments	Notes (Table DBRL)	Fair Market Value as of February 2, 2024	% of Total Assets
Assets					
Non-Current Assets					
Fixed Assets					
Freehold Land	70.67	(9.05)	(1)	61.62	1.74%
Other Fixed Assets	171.66	-		171.66	4.85%
Right Of Use Assets	3.55	(3.55)	(2)	-	0.00%
Investment Property	0.21	0.04	(3)	0.25	0.01%
Other Intangible Assets	0.00	(0.00)	(4)	-	0.00%
Tax Assets	31.22	-		31.22	0.88%
Investments	3,089.38	(255.13)	(6)	2,834.25	80.15%
Total Non-Current Assets	3,366.89	(267.68)		3,099.01	87.64%
Current Assets					
Inventories	27.21	-		27.21	0.77%
Financial Assets					
Cash And Cash Equivalents	15.27	-		15.27	0.43%
Bank Balances Other Than Above	61.51	-		61.51	1.74%
Loans	0.04	-		0.04	0.00%
Investments	150.97	0.89	(7)	151.86	4.29%
Receivables	45.77	-		45.77	1.29%
Other Financial Assets	121.06	-		121.06	3.42%
Other Current Assets	9.10	-		9.10	0.26%
Total Current Assets	430.93	0.89		431.82	12.21%
Additional Assets					
Contingent Asset	-	5.24	(8)	5.24	0.15%
Total Additional Assets	-	5.24		5.24	0.15%
Total Assets	3,797.82	(251.65)		3,536.07	100.00%
Liabilities					
Non-Current Liabilities					
Financial Liabilities					
Lease Liabilities	0.60	(0.60)	(2)	-	0.00%
Provisions	8.60	-		8.60	0.24%
Deferred Tax Liabilities (Net)	(0.00)	0.00	(5)	-	0.00%
Total Non-Current Liabilities	406.59	(0.60)		406.99	11.51%
Current Liabilities					
Lease Liabilities					
Lease Liabilities	0.20	(0.20)	(2)	-	0.00%
Trade Payables	41.84	-		41.84	1.18%
Other Financial Liabilities	49.57	-		49.57	1.40%
Other Current Liabilities	29.00	-		29.00	0.82%
Current Tax Liabilities (Net)	0.01	-		0.01	0.00%
Provisions	18.50	-		18.50	0.52%
Total Current Liabilities	139.13	(0.20)		138.93	3.93%
Total Liabilities	545.71	(0.80)		545.92	15.44%
Adjusted Net Asset Value	3,250.90	(260.76)		2,990.15	84.56%
Concluded Value (INR in Crores)				2,990.15	

Notes to Table DBRL:1**(1) Freehold Land**

The fair values of fixed assets as of December 31, 2023 has been accepted as reasonable proxies for the fair values of the fixed assets as of the Valuation Date. Management and the Valuers have confirmed that these fair values hold good as of the Valuation Date.

Pursuant to sale of Indian refractory business to RHI Magnesita India Refractories Limited (formerly known as Dalmia OCL Limited) ("RHIMIRL") and subsequent transfer of 100% equity interest of RHIMIRL to RHI, RHIMIRL has now become the wholly owned subsidiary of RHI. Hence, as DBRL will not be able to realise any economic benefits from the land parcels leased out to RHIMIRL for a period of initial 30 years which may further be extended to another



30 years at the option of RHIMRL. For these reasons, fair value of such land parcels has not been considered for determining the fair value of DBRL.

As of the Valuation Date, DBRL additionally owns and has retained the following land and building rights:

- Land at Fire Clay Mine and other land owned at Gujarat and Delhi.

The fair values of the above-stated land and building, along with Birla Tyre land retained in DBRL, except fire clay mines which have been dealt separately with in detail herein below, as of the Valuation Date as worked out by the Valuers is INR 61.62 crores.

(2) **Right of Use Asset and Lease Liabilities:**

The right of use asset has been adjusted off to determine the adjusted net asset value since these merely represents accounting adjustments for the leasehold assets taken by DBRL and does not represent any tangible or intangible asset from which DBRL might derive any economic benefit in future. Likewise Lease liability too represents present value of future rent payable for the leased assets. Since we did not consider book value of right of use asset, we have also adjusted off these lease liabilities outstanding against the right of use asset as of the Valuation Date.

(3) **Investment Property:**

DBRL's investment property includes 1751 square meter of land located in Mehasana, Ahmedabad, Gujarat. Based on the valuation report of Valuers the fair value of land located in Mehasana, Ahmedabad, Gujarat is INR 0.25 crores.

(4) **Other Intangible Assets:**

Other intangible assets are nothing else but the mining rights of certain mines held by DBRL as of the Valuation Date. Post transfer of the India Refractory business and the corresponding mining rights of mines associated with such transferred business, the Company is left with the mining rights for the two mines only i.e. the dolomite mines located in Mugdara and fire clay mine situated in Therani, DPM, Tamil Nadu, status of which as on the Valuation Date are given herein below:

- Dolomite Mine: According to the Management, the dolomite mine situated in Mugdara was not transferred to RHIMIRL pursuant to the BTA dated November 19, 2022. According to the BTA, DBRL would endeavour (but will not be obligated) to remove all encumbrance over the mine within 24 months form the closing date and RHIMIRL/RHI has a right to acquire the mine for no additional consideration.

The mining lease is currently in the name of OCL India Limited which is to be transferred in the name of DCBL. The state government has approved the execution of mining lease in the name of DCBL, however, it has not been implemented as of the Valuation Date.

The fair value of the Dolomite Mine is not included in the value of DBRL since:

- Pursuant to the transaction with RHI, RHIMIRL has a right to acquire the Dolomite Mine without any additional consideration.
 - The mining rights are for a limited period up to May 2024 and various statutory approvals/clearances are still pending which may or may not be obtained before the expiry of the mining lease.
- Fire Clay Mine: According to the Management, the fire clay mine situated in Therani, DPM, Tamil Nadu was not transferred to RHIMIRL pursuant to the BTA dated November 19, 2022 given that the mine has not been operational since a long period of time and it was classified as non-core mine for RHIMIRL operations.



The mine is not operational since 2012 due to expiration of mining lease. The lease was operational since 1954 and the application for renewal was submitted by the Company on April 16, 2014. According to the Management, per Section 8A (5) of the MMDR Amendment Act 2015, DBRL has subsisting lease until March 31, 2030. However, the approval for renewal has yet not been granted. DBRL initiated legal proceedings for the renewal approval but no favourable decision has been received by the Company as of the Valuation Date.

According to the Management, the timing of approval for renewal of lease is not certain given the ongoing litigation. Additionally, once the renewal of lease is approved, DBRL needs to obtain environment and other clearances which will require additional time, cost and efforts.

The renewal of lease and obtaining the statutory clearances/approvals would require substantial time which may or may not be obtained within the remaining lease period. Accordingly, the value of the mining rights for the fire clay mine at Therani is not considered for the valuation of DBRL.

(5) **Deferred Tax Liabilities (Net)**

Deferred tax liability is a notional liability because of an accounting entry. There will not be any future cash inflows in relation to deferred tax asset outstanding as of the Valuation Date. Accordingly, the fair value of deferred tax asset is considered as zero rupee for our valuation analysis.

(6) **Non-Current Investments:**

As stated herein above, DBRL holds investments in equity shares of Dalmia Bharat Limited, RHI Magnesita India Limited, OCL Global Limited, Birla Tyres Ltd and HBMP and Veeda Clinical Research Private Limited. Our analysis of DBRL's major investments in some of these companies is given below.

- **RHI Magnesita India Limited:** As on the Valuation Date the Company holds 2,70,20,000 equity shares of RHI, that represented approximately 13.08% equity interest in RHI, pursuant to the share swap between DBRL and RHI and subsequent purchase of RHI's shares through open market. As previously discussed, RHI is listed on NSE and BSE.

In view of Section 164(1) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, ("ICDR") for determining the share price, we have calculated value of investment in listed shares of RHI based on the formula of 90 days/10 days VWAP and accordingly indicated value of RHI's equity shares is computed to be INR 737.69 per share. Based on liquidity check carried out by us on RHI shares, RHI shares can be stated to be liquid shares. Given the large block size of RHI's equity shares held by DBRL (representing ~13.08% interest in RHI), DBRL will not be able to immediately liquidate its investment in RHI by selling it in the stock market, without significantly impacting share prices.

Past one year share trading track record of RHI share was conducted which is shown in the trailing table:

RHI Magnesita India Limited	
Trailing 12 Months Share Trading Volume	
Daily Trading Volumes	# Shares
	Volume
Minimum	30,596
Maximum	2,104,100
Average	263,673
TTM - January 31, 2023 through February 01, 2024	



**Closing day Trading price of 01.02.2024 only available till issuance of report.*

In case of a large block of shares, relative to the volume of actual sales on the existing market, of a listed company is to be sold without depressing the market price, a blockage discount should be applied from the actively traded price of a stock. A number of key qualitative factors should be analyzed to determine the presence and magnitude of a blockage discount like - volatility of the stock; actual price change in the stock under recent and preceding market conditions; subject company's current economic outlook; trend of the price and the financial performance of the stock; trend of the subject company's earnings; existence of any resale restrictions on the stock. The owner of a block of control or restricted stock typically has the following methods to estimate a blockage discount - Dribble out the subject interest; Secondary public offering; Company redemption; Private placement etc. Given the current trading volumes and in order to analyze impact of the large block size of RHI's equity shares, we used the put option analysis (dribble out the subject interest) by taking average of the outcome of Chaffe model, the Finnerty model and the Ghaidarov model. Longstaff Lookback Put Option Model too was tested but has been ignored since it gave a very skewed discount range which would have given a totally distorted result in the capacity of an outlier impact. Keeping in mind that selling off of such huge quantity in the market could result into greater volatility, higher free float of the shares as well as likely fall in price, we applied the average of DLOM/blockage discount to the indicated equity VWAP rate to compute the fair value per equity share, as of the Valuation Date, of RHI held by DBRL as 672.21 per share or INR 1,816.31 crores for entire DBRL investment in RHI.

- **Dalmia Bharat Limited:** As previously discussed, DBL is listed on NSE and BSE. The fair value of DBL's equity shares, based on closing price of 01.02.2024, is computed to be INR 2,240.78, per share based on the pricing formula given in the ICDR regulations or INR 356.72 crores for entire DBRL investment in DBL.
- **Biral Tyres Ltd. ("BTL") and Himadri Birla Tyre Manufacturer Private (formerly known as Dalmia Mining and Services Private Limited) ("HBTMPL"):** DBRL has invested INR 2,25,000 for acquisition of 100% equity shares of HBTMPL. As on date of valuation there are primarily no business activities being undertaken by HBTMPL except of the acquisition of non-operative assets of BTL from DBRL. Looking into the fact that the transaction date of assets acquisition of BTL, acquired through IBC route as Successful Resolution Applicant, is in close proximity to the Valuation Date with separate valuation from IBBI approved P&M and L&B valuer done through another firm, that has duly been accepted by the Valuers as well, the book value of BTL and HBTMPL is considered as a reasonable proxy for the fair value as of the Valuation Date, all the more since the assets acquired from BTL have been lying idle for around four years, are yet to be serviced and put to use commercially, besides quite a few litigation are also going in with respect to acquisition by DBRL of BTL under IBC route, necessary work force and distribution channels are yet to be put in place, we have considered the value as ascertained by the IBBI Registered valuers for their valuation to work out PPA in terms of relevant IND-AS and accounted for in Books. The future business plan as proposed under Resolution Plan approved by CoC under CIRP of BTL has not been put into effect and DBRL has stated that under current circumstances it requires more time to effectuate BTL commercial activities. This updated PPA value accounted for in books has been considered by us for our valuation purposes under Adjusted Net Book Value method as against DCF method or comparable Company method since the technology, distribution channel setup, brand establishment against already established players viz a viz current machinery position etc. cannot be reasonably established / compared. Given that the BTL acquisition date is in close



proximity to the Valuation Date, the book value of DBRL's investment in BTL and HBTMPL is considered as a reasonable proxy for the fair value as of the Valuation Date.

Hindustan Birla Tyre Manufacturer Private Limited		In INR Crores			
Adjusted Net Asset Value as of January 25, 2024					
	Unadjusted Value as of December 31, 2023	Adjustments	Notes	Fair Market Value as of January 25, 2024	% of Total Assets
Assets					
Non-Current Assets					
Property, Plant And Equipment	5.60	-	-	5.60	6.32%
Capital work - in - progress	83.03	-	-	83.03	93.68%
Total Non-Current Assets	88.63	-	-	88.63	99.99%
Current Assets					
Total Current Assets	0.00	-	-	0.00	0.01%
Total Assets	88.63	-	-	88.63	100.00%
Liabilities					
Current Liabilities					
Trade Payables	0.04	-	-	0.04	0.05%
Other Current Liabilities	119.75	-	-	119.75	135.11%
Total Current Liabilities	119.80	-	-	119.80	135.16%
Total Liabilities	119.80	-	-	119.80	135.16%
Adjusted Net Asset Value	(31.19)	-	-	(31.16)	-35.16%
				Concluded Value	(31.16)

Since part of sale of assets sold to HBTMPL by DBRL has been impaired in terms of relevant IND-AS, the net adjusted value of DBRL investment in HBTMPL has been negative, therefore we have considered Fair Market Value as on the Valuation Date of HBTMPL as NIL.

Fair Market Value of investment in BTL:

Birla Tyres Limited		INR Crores			
Adjusted Net Asset Value as of January 25, 2024					
	Unadjusted Value as of December 31, 2023	Adjustments	Notes	Fair Market Value as of January 25, 2024	% of Total Assets
Assets					
Non-Current Assets					
Property, Plant And Equipment	20.98	-	-	20.98	80.70%
Capital work - in - progress	-	-	-	-	0.00%
Total Non-Current Assets	20.98	-	-	20.98	80.70%
Current Assets					
Financial Assets					
Other Financial Assets	0.01	-	-	0.01	0.02%
Cash & Cash Equivalents	5.00	-	-	5.00	19.26%
Other Current Assets	0.01	-	-	0.01	0.02%
Total Current Assets	5.01	-	-	5.01	19.30%
Total Assets	25.97	-	-	25.97	100.00%
Liabilities					
Current Liabilities					
Financial Liabilities					
Trade Payables	0.00	-	-	0.00	0.21%
Borrowings	0.00	-	-	0.00	0.00%
Total Current Liabilities	0.00	-	-	0.00	0.21%
Borrowings					
Borrowings	3.39	-	-	3.39	13.07%
Total Liabilities	3.40	-	-	3.40	13.28%
Adjusted Net Asset Value	22.52	-	-	22.52	86.72%
				Concluded Value	22.52

Accordingly, Fair Value of investments of DBRL in BTL is taken as INR 22.52 crores.

VALUATION OF OCL GLOBAL LIMITED VIA THE DISCOUNTED CASH FLOW METHOD FOR CONSIDERATION INCLUDING VALUATION OF OCL CHINA LTD VIA ADJUSTED NET ASSET VALUE METHOD FOR INCLUSION AS PART OF OCL GLOBAL LTD INVESTMENT.



Value of OCL China Ltd.

The adjusted net asset value has been computed based on the balance sheet of OCL China as of December 31, 2023, that have been accepted as a reasonable proxy for the financial position of the Company as on Valuation Date. As presented in Table below, OCL China's adjusted net asset value is CNY 47,327,000 (rounded) as of the Valuation Date.

OCL China Limited					
Adjusted Net Asset Value as of February 2, 2024					
	CNY				
	Unadjusted Value as of December 31, 2023	Adjustments	Notes	Fair Market Value as of February 2, 2024	% of Total Assets
Assets					
Non-Current Assets					
Property, Plant And Equipment	18,878,528	7,529,050	(1)	26,405,578	47.50%
Intangible Assets	8,774,559	(8,774,559)	(2)	-	0.00%
Total Non-Current Assets	27,651,085	(1,245,509)		26,405,578	47.50%
Current Assets					
Inventories	4,663,125	-		4,663,125	8.41%
Financial Assets					
Trade Receivables	19,164,334	-		19,164,334	34.55%
Cash & Cash Equivalents	1,964,745	-		1,964,745	3.54%
Other Current Assets	3,273,390	-		3,273,390	5.90%
Total Current Assets	29,065,594	-		29,065,594	52.40%
Total Assets	56,716,679	(1,245,509)		55,471,170	100.00%
Liabilities					
Current Liabilities					
Financial Liabilities					
Trade Payables	7,482,800	-		7,482,800	13.49%
Other Financial Liabilities	252,381	-		252,381	0.45%
Current Tax Liability, Net	-	-		-	0.00%
Other Current Liabilities	409,006	-		409,006	0.74%
Total Current Liabilities	8,144,189	-		8,144,189	14.68%
Total Liabilities	8,144,189	-		8,144,189	14.68%
Adjusted Net Asset Value	48,572,510	(1,245,509)		47,327,001	85.32%
			Concluded Value	47,327,000	

Notes to OCL China:

(1) **Property, Plant and Equipment (OCL China):**

The fair value of property, plant and equipment is considered based on the summary of fixed assets assessment prepared by a tangible assets appraiser as of March 31, 2023 dated May 19, 2023. Management has certified the same to be holding good through to December 31, 2023 and the Valuers have found the same to be acceptable for their valuation as on the date of Valuation. Value of land has not been considered as the same is on lease with OCL China. The fair value of fixed assets as of December 31, 2023 has been accepted as reasonable proxy for the fair value of the fixed assets as of the Valuation Date.

(2) **Intangible Asset (OCL China):**

The intangible asset represents the right of use of leasehold assets taken by OCL China. The right of use value of leasehold assets represents accounting adjustments and does not represent any tangible or intangible asset from which OCL China might derive any economic benefit in future. As a result, we have adjusted off the value of right of use asset to determine the adjusted net asset value.

Accordingly, equivalent value of OCL Global Ltd. stake in OCL China Ltd. works out to \$5.93 Mn and is as shown in the following Table.



OCL Global Limited Fair Market Value of Investments in OCL China Limited	
Indicated Value of OCL China Limited (in CNY Mn)	47.33
Multiply by: CNY-USD Conversion Rate as on 01.02.2024	0.1393
Indicated Value of OCL Global Limited (in USD Mn)	6.59
Multiply by: 90% Share holding Interest	90%
Fair Market Value of OCL Global Limited's Investment in OCL China Limited as of February 02, 2024 (in USD Mn)	5.93

OCL Global Limited

Determination of Projected Annual Free Cash Flow to Equity

- OCL Global is a trading company primarily engaged in exporting refractory bricks and other refractory material manufactured by its subsidiary, OCL China. Given the nature of business of OCL Global, the Management has provided projected income statements for the period / years ending March 31, 2024 through March 31, 2028. We have used discounted cash flow method to compute the fair value of equity shares of OCL Global Limited besides valuing its investment in OCL China at Adjusted Net Asset Value Method and by adding cash and cash equivalents.

Points for consideration for OCL Global Ltd, valuation working:

Capital Expenditures and Depreciation

As of the Valuation Date, OCL Global holds no fixed assets. Accordingly, depreciation and amortization are assumed to be NIL for the projection period. Given the nature of business of OCL Global, no capital expenditure has been estimated during the projection period.

Normalized Change in Net Working Capital

To calculate the annual projected increase in non-cash, non-debt, net working capital, a forward-looking working capital turnover ratio was needed. In order to determine this, we first calculated the historical working capital turnover ratio for FY 2023 and period ending December 2023 of FY 2024 and since there was significant variance between the two ratios, we opted for average of the two ratios and applied this over the projections made available by the Management.

Borrowing/Debt Repayment

As of the Valuation Date, OCL Global does not have any debt outstanding. As a result, the debt repayment is assumed to be NIL for the projection period.

Discount Rate

The calculation of the cost of equity using the capital asset pricing model. Data as to Mauritius 10 year Govt. Bond for calculating Risk Free Return has been taken from public data (Mauritius 10 Years Bond - Historical Data (worldgovernmentbonds.com)) while Beta for Metal & Mining – Emerging market, Total Market Risk Premium and Country Specific Risk Premium for Mauritius have been taken from Aswath Damodran site. Data for Mauritius has been considered since OCLG is carrying out its operations from Mauritius. Since the Company does not involve too much of borrowing etc. we have not used Un-leveraging / Re-leveraging of Beta.

Value Indication of OCL Global's Operations via the DCF Method

Using the projected FCFE and per the discount rate determined herein above, per DCF method of valuation, the indicative value comes to \$ 2.53 Mn, representing the enterprise value of the company's operations going forward starting w.e.f. 01.01.2024.

Valuation of OCL Global in its Entirety

CA Rajeev Dhirga
Registered Valuer (SFA)

VALECS ECOTECH PVT. LTD.
Registered Valuer
IBBI/RV-E/02/2022/178

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The equity value of OCL Global of INR 183.70 Crores as computed herein below representing the fair value through DCF method for operations of OCL Global besides equity value of 90% investment stake of OCLG in OCL China adding cash and cash equivalents as of the Valuation Date to the value of the company's operations.

Dalmia Bharat Refractories Limited Fair Market Value of Investments in OCL Global Limited	
Indicative Value of OCL China Limited (in USD Mn)	\$5.93
DCF value of future business of OCL Global Ltd (in USD Mn)	\$2.53
Cash and Bank Balance as on 31.12.2023 (in USD Mn)	\$13.68
Total	\$22.14
Multiply by: INR/USD Conversion Rate (RBI Archive Rate)	82.9553
Indicative Value of OCL Global Limited - with DCF value of going forward business (In INR)	183.70
In INR Crores	183.70
Fair Market Value of the Company's Investments as of Valuation Date: (INR)	183.70

After including value of other investments, which have been taken at book value due to nature / status / information available in public domain or with the management / timing of investment, the overall fair value of DBRL investments as on Valuation Date, based on the methodologies enumerated herein above, works out to INR 2,834.25 crores, summarized as under:

Dalmia Bharat Refractories Limited Fair Market Value of Investments			
	# Shares/OCD/ NCD/ Holding %	Indicated Value Per Share (INR)	Fair Market Value (INR in Crores)
RHI Magnesita India Limited	27,020,000	672.21	1,816.31
OCL Global Limited	100%		183.70
Dalmia Bharat Limited	1,591,952	2,240.78	356.72
Birla Tyres Ltd	9,999		22.62
Interest Bearing NCDs considered at Book Value			130.00
OCD Investment considered at Book Value - recent investment			275.00
Other Miscellaneous Investment at Book Value			50.00
Hindco Birla Tyre Manufacturing Pvt. Ltd	140,000	Impaired Value	-
Total Fair Market Value of Investments			2,834.25

Current Investments:

DBRL holds investments in 12,11,861 units of Axis Overnight Fund Direct Growth. Being listed on stock exchange, the fair value analysis as of the Valuation Date, based on last rate available as of 01.02.2024, is INR 151.86 Crores.

(7) Contingent Asset:

According to the Management, DBRL is entitled to receive an amount of INR 5.24 crores (including interest on the principal amount) against litigation in a matter where Hon'ble Court has already passed an order in favour of the Company; however, it is yet to be implemented by the Government authority and that there is a high probability of realization of this amount in the future. Accordingly, we have considered an additional contingent asset of INR 5.24 crores for our valuation, without considering interest since interest is due only on part of claim amount which too is not specified in the order.

Valuation Per Equity Share of DBRL

Thus, fair value per equity share of DBRL as of the Valuation Date:

Dalmia Bharat Refractories Limited Valuation of One Equity Share	
Indicated Value of equity Shares (INR in Crores)	2,930.15
Divide by: # of Equity Shares Outstanding	44,200,107
Indicated Value of One Equity Share of DBRL as of February 2, 2024 (INR)	676.50



CONCLUSION

Based on our study and analytical review procedures, and subject to the limitations expressed within this report, the fair equity share exchange ratios, are:

- The fair Share Exchange Ratio for the proposed Scheme of Arrangement of DMC Unit and GT Unit with DBRL is as under:

1 equity shares of DBRL of INR 10 each fully paid up for every 48.18 equity shares of DBSIL of INR 2 each fully paid up

CA Rajeev Dhingra

RAJEEV DHINGRA
Digitally signed by RAJEEV DHINGRA
DN: cn=RAJEEV DHINGRA, o=CA



Registered Valuer (Securities / Financial Assets)

Registration No. : IBBI/RV/06/2020/13509; ICAI RVO/RV-P00123/2020-21

UDIN : 24090158BKCYNJ6049

Date: February 02, 2024

Place: New Delhi

CA Rajeev Dhingra
Registered Valuer (SFA)

RD
VALECS ECODECH PVT. LTD.
Registered Valuer
IBBI/RV-E/02/2022/178

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

Date: 02 February, 2024

The Board of Directors
Dalmia Bharat Refractories Limited
Dalmiapuram, District Tiruchirappalli, Tamil Nadu - 621651

The Board of Directors
Dalmia Bharat Sugar and Industries Limited
Dalmiapuram, District Tiruchirappalli, Tamil Nadu - 621651

Subject: Fairness Opinion for the purpose of Proposed Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited ("Demerged Company") and Dalmia Bharat Refractories Limited ("Resulting Company") and their respective shareholders under the provisions of Sections 230 to 232 of the Companies Act 2013

Dear Sir/s,

This is in connection with the proposed Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited ("Demerged Company") and Dalmia Bharat Refractories Limited ("Resulting Company") and their respective shareholders under the provisions of Sections 230 to 232 of the Companies Act, 2013 (the 'Scheme' or the 'Scheme of Arrangement').

We, M/s D & A Financial Services (P) Ltd, SEBI registered Merchant Banker, having license no. INM000011484, have been engaged by you to give our fairness opinion on the share exchange ratio as recommended by the registered valuer M/s Valecs Ecotech Pvt. Ltd having registration no. IBBI/RV-E/02/2022/178 having office at 303, Plot No. 1 3rd Floor Community Centre Ashok Vihar Phase-2; Delhi- 110052 (hereinafter referred to as "Valuer") for the Scheme, who were appointed as valuer for the proposed Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited ("Demerged Company") and Dalmia Bharat Refractories Limited ("Resulting Company") for demerger of DMC Undertaking and GT Undertaking. Further, for the purpose of making necessary filings with stock exchanges and the National Company Law Tribunal, the board of directors of Dalmia Bharat Sugar and Industries Limited ("Demerged Company") and

H.O. & Regd. Office: 13, Community Centre, 2nd Floor, East of Kailash, New Delhi-110065 (India)
Phone: +91 11 41326121, 40187038
E-mail: investors@dnafinserv.com, compliance@dnafinserv.com, valuation@dnafinserv.com, contact@dnafinserv.com
Website: www.dnafinserv.com, Branch Office : Mumbai
CIN : U74899DL1961PTC012709



Dalmia Bharat Refractories Limited ("Resulting Company") have also acknowledged the report issued by the Valuer for ascertaining the share exchange ratio.

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

1. Scope and Purpose of the Opinion

The Management of Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited have jointly engaged M/s D & A Financial Services (P) Ltd to submit fairness opinion to the Board of Directors on the share exchange ratio as recommended by the valuer for proposed Scheme of Arrangement as defined above.

The Fairness Opinion is addressed to the Board of Directors of Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited. Further, this Fairness Opinion has been issued as per the requirements of SEBI circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 ("SEBI Circular").

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

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



2. BRIEF BACKGROUND OF THE COMPANIES

(A) **Dalmia Bharat Sugar and Industries Limited**

Dalmia Bharat Sugar and Industries Limited is a public company limited by shares, incorporated on 01st November, 1951 under the provisions of the Indian Companies Act, 1913, having its registered office at Dalmiapuram, District Tiruchirappalli, Tamil Nadu - 621651 ("DBSIL" or "Demerged Company"). The equity shares of DBSIL are listed on BSE Limited and National Stock Exchange of India Limited.

DBSIL is engaged in manufacturing of sugar, generation of power, manufacturing of industrial alcohol and refractory products, and providing travel services. DBSIL has a refractory unit i.e. Dalmia Magnesite Corporation ("DMC Unit") which is engaged in the business of manufacturing of refractories. DBSIL also has a separate business unit named as Govan Travels ("GT Unit"), which is engaged in the business of providing tour and travel services.

(B) **Dalmia Bharat Refractories Limited**

Dalmia Bharat Refractories Limited is a public company limited by shares, incorporated on 4th October, 2006 under the provisions of the Companies Act, 1956, having its registered office at Dalmiapuram, District Tiruchirappalli, Tamil Nadu - 621651 ("DBRL" or "Resulting Company"). The equity shares of DBRL are listed on Calcutta Stock Exchange Limited and Metropolitan Stock Exchange of India Limited.

As per the object clause of Memorandum of Association, DBRL has the object to carry on the business of miners, manufacturers, research and development, producers, processors, importers, exporters, etc, dealing in cement, any kind of building material and refractory mineral and other products and byproducts, to act a tour and travel service provider, to acquire business and to make investments, along with other main objects,



3. RATIONALE OF THE SCHEME

- (A) Demerger of DMC Unit and GT Unit (being non-core businesses of DBSIL) from DBSIL and transfer and vesting of the same to DBRL will yield beneficial results and enhanced value creation for their respective shareholders and better security and protection for their lenders and employees.
- (B) The management of DBSIL is of the view that segregation of the DMC Unit and GT Unit from DBSIL will lead to the following benefits:
- Segregation of non-core businesses from sugar business;
 - Efficient and focused management individually on DMC Unit, GT Unit, and sugar business; and
 - Increased flexibility for value extraction and fund raisings.
- (C) The management of DBRL is of the view that acquisition of the DMC Unit and GT Unit will lead to the following benefits:
- Focus on the refractory operations, along with its existing presence in the concerned field, of DMC Unit by demerging it from DBSIL for whom this is currently a non-core business.
 - Focus on the business as travel agents, tour operators, clearing and forwarding agents and to do all activities ancillary to these activities which are related to GT Unit; and
- (D) This Scheme shall be in the beneficial interest of all the stakeholders and the shareholders of the Demerged Company and the Resulting Company. In these circumstances, it is considered desirable and expedient to demerge DMC Unit and GT Unit from the Demerged Company to the Resulting Company in the manner and on the terms and conditions stated in the Scheme.

4. Sources of Information

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

- Draft Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders.



- Valuation Report issued by registered valuer M/s Valecs Ecotech Pvt. Ltd having registration no. IBBI/RV-E/02/2022/178 dated 2nd February, 2024.
- Audited Balance Sheet of Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited as on 31st March, 2023..
- Financial statements of Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited as on 31st December, 2023
- Applicable Laws and Public Circulars under SEBI Regulations and applicable provisions of the Companies Act, 2013.

5. Valuation Report.

Valuer have recommended fair exchange ratio vide its report dated 2nd February, 2024, on the basis of analysis and analytical review and relative valuation of the respective companies and opined that the share exchange ratio as described below is fair and reasonable for all the shareholders and the Companies involved in the Scheme:

"1 (One) Equity Shares (face value of INR 10 each fully paid up) of Dalmia Bharat Refractories Limited to be issued and allotted to the equity shareholders of Dalmia Bharat Sugar and Industries Limited for every 48.18 fully paid equity shares (face value of INR 2 each fully paid up) held by them in Dalmia Bharat Sugar and Industries Limited".

6. Conclusion and Opinion

On the basis of our scope and limitations mentioned in the report and based on our examination of the draft of the proposed scheme of arrangement and Valuation Report given by registered valuer M/s Valecs Ecotech Pvt. Ltd having registration no. IBBI/RV-E/02/2022/178 dated 2nd February, 2024, and on consideration of all the relevant factors as described herein above, we are of the opinion that the valuation done by the valuer for determining the share exchange ratio is fair and reasonable.

Thanking You

For D & A Financial Services (P) Ltd


(Priyaranjan)

Vice President

Place: New Delhi



APPENDIX A

EXCLUSIONS AND LIMITATIONS

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





DCS/AMAL/AK/R37/3274/2024-25

July 30, 2024

The Company Secretary,
Dalmia Bharat Sugar and Industries Ltd
 Tiruchirappalli,
 Dalmiapuram,
 Tamil Nadu,
 621651

Dear Sir,

Sub: Observation letter regarding the Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

We are in receipt of the Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 filed Dalmia Bharat Sugar and Industries Ltd as required under SEBI Circular no. CFD/DIL.3/CIR/2017/21 dated March 10, 2017 read with Master Circular No. SEBI/HO/CFD/DIL.1/CIR/P/2021/665 dated November 23, 2021 read with SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 94(2) of SEBI LODR Regulations 2015 along with SEBI/HO/DDHS/DOHS_DivI/P/CIR/2022/000000103 dated July 29, 2022 (SEBI Circular) and Regulation 94A(2) SEBI (LODR) Regulations, 2015; SEBI vide its letter dated July 29, 2024 has inter alia given the following comment(s) on the draft scheme of reduction:

- a. "Company shall disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme."
- b. "Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- c. "Company shall ensure compliance with SEBI circulars issued from time to time."
- d. "The entities involved in the scheme shall duly comply with the various provisions of the circular and ensure that all the liabilities of the Transferor Company are transferred to Transferee Company."
- e. "Company is advised that the information pertaining to all the unlisted companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of the schedule VI of the ICDR Regulations 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- f. "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."

8V

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- g. "Company shall ensure that the details of the proposed scheme under consideration as provided to the stock exchange shall be prominently disclosed in the notice to shareholders."
- h. "The Companies are advised to disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013.
- Details of Assets, Liabilities, Net worth and revenue of the companies involved pre & post scheme.
 - Impact of scheme on revenue generating capacity of the demerged company.
 - Need and rationale of the scheme, Synergies of business of the companies involved in the scheme, Impact of the scheme on the shareholders and cost benefit analysis of the scheme.
 - Value of assets and liabilities of Demerged Company that are being transferred to Resulting Company
- i. "Company shall ensure that applicable additional information, if any to be submitted to SEBI along with the draft scheme of arrangement as per 'Query no.12' dated February 28, 2024 shall form a part of disclosures to shareholders."
- j. "Company is advised that the proposed equity shares to be issued in the terms of the "Scheme" shall be mandatorily in demat form only."
- k. "Company is advised that the 'Scheme' shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."
- l. "No changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."
- m. "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company is obliged to bring the observations to the notice of Hon'ble NCLT."
- n. "Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
- o. "It is to be noted that the petitions are filed by the company before Hon'ble NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

The company shall disclose the No-Objection letter of the Stock Exchange(s) on its website within 24 hours of receiving the same.

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

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



- To duly comply with various provisions of the circulars.

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

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated June 20, 2023.

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

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

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

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

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

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

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

Yours faithfully,


Sabah Vaze
Senior Manager


Tanmayi Lale
Assistant Manager



National Stock Exchange Of India Limited

Ref: NSE/LIST/40216

August 02, 2024

The Company Secretary
Dalmia Bharat Sugar and Industries Limited
11th & 12th Floors, Hansalaya
15, Barakhamba Road,
New Delhi – 110001

Kind Attn.: Ms. Aashhima V Khanna

Dear Madam,

Sub: Observation Letter for Draft Scheme of Arrangement Between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders (under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013).

We are in receipt for Draft Scheme of Arrangement Between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders (under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013) vide application dated February 22, 2024.

Based on our letter reference no. NSE/LIST/40216 dated June 12, 2024, submitted to SEBI pursuant to SEBI Master Circulars no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 read with 94(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations), SEBI vide its letter dated July 29, 2024, has inter alia given the following comment(s) on the draft scheme of arrangement:

- a) *The Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- b) *The Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter, is displayed on the websites of the listed Company and the Stock Exchanges.*
- c) *The Company shall ensure compliance with the SEBI circulars issued from time to time.*
- d) *The entities involved in the Scheme shall duly comply with various provisions of the Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.*

- e) *The Company shall ensure that the information pertaining to all the Unlisted Companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
- f) *The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*
- g) *The Company shall ensure that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchanges shall be prominently disclosed in the notice sent to the Shareholders.*
- h) *The Companies involved in the Scheme shall ensure to disclose the following as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013:*
- *Details of assets, liabilities, net worth and revenue of the companies involved, pre and post scheme.*
 - *Impact of Scheme on revenue generating capacity of Demerged Company.*
 - *Need and rationale of the scheme, synergies of business of the companies involved in the scheme, impact of the scheme on the shareholders and cost benefit analysis of the scheme.*
 - *Value of assets and liabilities of Demerged Company that are being transferred to the Resulting Company.*
- i) *The Company shall ensure that all the applicable additional information shall form part of disclosure to shareholders, which was submitted by the Company to the Stock Exchanges as per Annexure M of Exchange checklist.*
- j) *The Company shall ensure that the proposed equity shares to be issued in terms of the “Scheme” shall mandatorily be in demat form only.*
- k) *The Company shall ensure that the “Scheme” shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.*
- l) *The Company shall ensure that no changes to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.*

- m) *The Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.*
- n) *The Company shall ensure to comply with all the applicable provisions under the Companies Act, 2013 and the rules and regulations issued thereunder, including obtaining the consent from the creditors for the proposed scheme.*
- o) *It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations.*

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

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

The Listed entities involved in the proposed Scheme shall disclose the No-Objection Letter of the Stock Exchange(s) on its website within 24 hours of receiving the same.

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

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

The validity of this “Observation Letter” shall be six months from August 02, 2024, within which the Scheme shall be submitted to NCLT.

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

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

Yours faithfully,
For National Stock Exchange of India Limited

Khyati Vidwans
Senior Manager

The Calcutta Stock Exchange Ltd.

7, Lyons Range, Kolkata - 700 001
 Phone : +91 33 4025 3000, Fax : +91 33 4025 3030 / 3017
 Website : www.cse-india.com, E-mail : cseadmin@cse-india.com
 CIN: U67120WB1923PLC004707

Ref No: CSE/LO/16359/2024

August 13, 2024

The Company Secretary
DALMIA BHARAT REFRACTORIES LIMITED
 Panchaparam, Dist. Tiruchirappalli
 Tamil Nadu, India

Dear Sir,

Sub. Observation letter regarding the Composite Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited (DBSIL) (Demerged Company) with Dalmia Bharat Refractories Limited (DBRL) (Resulting Company).

We are in receipt of the composite Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited (DBSIL) (Demerged Company) with Dalmia Bharat Refractories Limited (DBRL) (Resulting Company) as approved under SEBI Circular No. CFD/OL/ICIR/201/201 dated March 12, 2017. SEBI vide its circular dated August 13, 2024 has inter alia given the following comment(s) on said Scheme of Arrangement:

- Company shall ensure to disclose all the details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors before non-bank NCDT and shareholders while seeking approval of the Scheme.
- Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchange.
- Company shall ensure compliance with the SEBI circulars issued from time to time.
- Company shall duly comply with various provisions of the Circulars and ensure that all assets and liabilities of the Company are transferred to the Transferee Company.
- Company shall ensure that information pertaining to all the Unlisted Companies involved in any of the letter to shall be included in the format specified for abridge prospectus as provided in Part C of Schedule VI of the ICIR Regulations, 2010 in the explanatory statement or notice or proposed accompanying resolution to be passed, which is sent to the shareholders for seeking approval.
- Company shall ensure that the financials in the scheme including financials considered for valuation (quarterly) for period more than 6 months old.
- Company shall ensure that the details of the proposed Scheme under consideration as provided by the company to the Stock Exchange shall be prominently disclosed in the notice sent to the shareholders.
- Company is advised to disclose the (i) details of assets, liabilities, revenue of the companies involved in the scheme, both pre and post scheme of arrangement; (ii) assets, liabilities, revenue and net worth of the demerged undertaking along with a write upon the history of the demerged undertaking on latest date, with certificate along with statement of assets and liabilities of both demerged company and resulting company, both pre and post the scheme of arrangement; (iii) Comparison of revenue and net worth of demerger undertaking with the total revenue and net worth of the listed/demerged entity in last three financial years; and (iv) the need, rationale and synergies of the scheme along with its impact on the shareholders of demerged company as submitted by company. The shareholders while seeking approval, its 230 to 232 of the Companies Act 2013, so that public shareholders can make an informed decision in the market.

Yours faithfully,

The Calcutta Stock Exchange Ltd.

7, Lyons Range, Kolkata - 700 001
Phone : +91 33 4025 3000 Fax : +91 33 4025 3030 / 3017
Website : www.cse-india.com, E-mail : cseadm@cse-india.com
CIN: U67120WB1973PLC004707

-2-

- Company shall ensure that the proposed equity shares to be issued in terms of the Scheme shall not be in breach of the relevant provisions of the Companies Act, 2013 and the Companies (Share Capital and Debentures) Regulations, 2014.
- Company shall ensure that the 'Scheme' shall be acted upon subject to the approval of the NCIIT, with the relevant clauses mentioned in the Scheme document.
- Company shall ensure that no changes to the draft scheme except those mandated by the regulatory authorities / officials shall be made without specific written consent of SFSI.
- Company shall ensure that the observations of SEBI/Stock Exchanges shall be ensured to be duly addressed to be filed before NCIIT and the companies are obliged to bring the observations to the notice of NCIIT.
- Company is advised to ensure that applicable additional information submitted to SEBI/Stock Exchanges shall be SEBI while processing the scheme and as advised by SEBI vide circular dated September 27, 2014, as a part of disclosure to the shareholders.
- It is to be noted that the petitions are filed by the company before NCIIT after processing and communication of comments / observations on draft scheme by SEBI /Stock Exchanges hence the company is not required to send notice for representation as mandated under Section 230(4) of Companies Act, 2013 to SEBI, again for its comments / observations / representations.

Accordingly, based on the said comment offered by SFSI, the company is hereby advised:

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

In light of the above, we hereby advise that we have no adverse observations with respect to the proposed scheme having a bearing on listing / de-listing / continuous listing requirements within the provisions of listing agreement, as well as to enable the company to file the scheme with Hon'ble NCIIT.

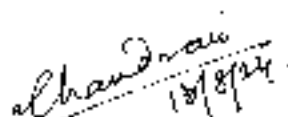
Further where applicable in the explanatory statement of the notice to be sent by the company to the shareholders while seeking approval of the scheme it shall disclose information about related companies involved in the scheme prescribed for abridged prospectus as specified in the circular dated March 10, 2011.

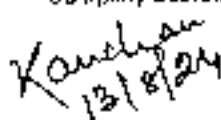
Kindly note that as required under Regulation 37(3) of SFSI (LODR) Regulation, 2015, The validity of this Observation Letter shall be Six Months from the date of this Letter. Within which the scheme shall be submitted to the NCIIT.

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

Yours faithfully,

For THE CALCUTTA STOCK EXCHANGE LTD


(Chandrani Datta)
Company Secretary


13/8/24

MSEI/LIST/2024/652

July 30, 2024

The Company Secretary and Compliance Officer,
DALMIA BHARAT REFRACTORIES LIMITED,
Dalmiapuram, Dalmiapuram,
Tamil Nadu, India, 621651.

Dear Sir/ Madam,

Sub.: Observation letter regarding the Scheme of Amalgamation/ Arrangement between Dalmia Bharat Sugar and Industries Limited (DBSIL) (Demerged Company) with DALMIA BHARAT REFRACTORIES LIMITED (DBRL) (Resulting Company).

Kind Attention: - Ms. Meghna Saini – Company Secretary and Compliance Officer.

This is in reference to the draft scheme of Arrangement filed by DALMIA BHARAT REFRACTORIES LIMITED in terms of SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 has inter alia given the following comment(s) on the draft scheme of Amalgamation:

- *The Company shall ensure that it discloses all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme.*
- *The Company shall ensure that additional information, if any, submitted by the Company, after filing the scheme with the stock exchange, and from the date of receipt of this letter is displayed on the website of the listed company and the stock exchange.*
- *The entities involved in the Scheme shall duly comply with various provisions of the circular issued from time to time.*
- *The Company is advised that the information pertaining to all the Unlisted Companies involved, if any, in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
- *The Company is advised that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.*

Page 1 of 3

Metropolitan Stock Exchange of India Limited

Registered Office: 205A, 2nd Floor, Piramal Agastya Corporate Park, Khareri Junction, LBS Road, Kurla (West), Mumbai – 400070.
Tel: +91-22-6112 9000 | customerservice@msei.in | www.msei.in | CIN: U65999MH2008PLC185856

- *The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 month old.*
- *The Company is advised that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders.*
- *The company is advised to submit applicable additional information, if any, to be submitted to exchange along with draft scheme of arrangement shall form part of disclosures to the shareholders.*
- *The Company is advised that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only.*
- *The Company is advised that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.*
- *No changes to the draft scheme except those mandated by the regulators/ authorities/ tribunals shall be made without specific written consent of SEBI.*
- *The Company is advised that the observations of SEBI/ Stock Exchange shall be incorporated in the petition to be filed before National Company Law Tribunal ("NCLT") and the company is obliged to bring the observations to the notice of NCLT.*
- *The Company is advised to comply with the all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.*
- *It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/ observations on draft scheme by SEBI/ Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under Section 230(5) of the Companies Act, 2013, to SEBI again for its comments/ observations/ representations.*

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

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



Page 2 of 3

Metropolitan Stock Exchange of India Limited

Registered Office: 205A, 2nd Floor, Piramal Agastya Corporate Park, Kamani Junction, LBS Road, Kurla (West), Mumbai - 400070.
Tel: +91-22-6112 9000 | customer@mseil.in | www.mseil.in | CIN: U65999MH2008PLC185856



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


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

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

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

Yours faithfully,

For and on behalf of Metropolitan Stock Exchange of India Limited



Mahendra Choudhari
AVP - Listing



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March 22, 2024

To
The General Manager,
Department of Corporate Services,
BSE Limited
P.J. Towers Dalal Street
Mumbai – 400001
BSE scrip code: 500097

Sub: Application under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended (“LODR Regulations”) in respect of the Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited (“Demerged Company” or “DBSIL” or “Company”) and Dalmia Bharat Refractories Limited (“Resulting Company” or “DBRL”) and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“Scheme”)

Ref: Application No. 195679

Complaint Report:

Date: March 22, 2024

Part A

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

Dalmia Bharat Sugar and Industries Limited

11th & 12th Floor, Hansalaya Building, 15 Barakhamba Road, New Delhi – 110001, Delhi, India

T + 91 11 23465100 W www.dalmiasugar.com CIN: L15100TN1951PLC000640

Registered Office: Dalmiapuram, District Tiruchirapalli – 621651, Tamil Nadu, India

*A **Dalmia Bharat Group** company, www.dalmiabharat.com*

Part B

Sr. No.	Name of complainant	Date of complaint	Status
1.	NA	NA	NA

Yours faithfully,

For **Dalmia Bharat Sugar and Industries Limited**

AASHHIMA V KHANNA
Digitally signed by
AASHHIMA V KHANNA
Date: 2024.03.22
16:26:10 +05'30'

(Aashhima V Khanna)

Company Secretary

Membership No.: A34517

Dalmia Bharat Sugar and Industries Limited

11th & 12th Floor, Hansalaya Building, 15 Barakhamba Road, New Delhi – 110001, Delhi, India

T + 91 11 23465100 W www.dalmiasugar.com CIN: L15100TN1951PLC000640

Registered Office: Dalmiapuram, District Tiruchirapalli – 621651, Tamil Nadu, India

A **Dalmia Bharat Group** company, www.dalmiabharat.com



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June 05, 2024

To,
The General Manager,
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400051
NSE Symbol: DALMIASUG

Application no. 40216

Sub: Complaint Report with respect to the Application filed under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended (“LODR Regulations”) in respect of the Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013

Dear Sir/Madam,

Pursuant to our application no. 40216 filed pursuant to Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended (“LODR Regulations”) in respect of the Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited and Dalmia Bharat Refractories Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, please find enclosed the Complaint report required to be filed as per the NSE checklist.

Also, please note, that since our scheme was uploaded on your website on May 8, 2024 and the complaint report is required to be filed after 21 days and within 7 days of the completion of 21 days, hence the same was uploaded on May 30, 2024.

Should you require any further information / clarification on the Scheme, we shall be glad to provide the same.

We would be obliged if you could grant your approval to the Scheme at your earliest convenience.

Thanking you,

Yours faithfully,

For Dalmia Bharat Sugar and Industries Limited

AASHHIMA
V KHANNA

Digitally signed by AASHHIMA V KHANNA
DN: cn=AASHHIMA V KHANNA,
c=IN, o=Dalmia Bharat Sugar and Industries Limited
Reason: I am the author of this document
Location:
Date: 2024.06.05 17:30:05.30

**Aashhima V Khanna
Company Secretary
Membership No. A34517**

Encl.: As above

Dalmia Bharat Sugar and Industries Limited
4th Floor, Hansalaya Building, 15 Barakhamba Road, New Delhi – 110001, Delhi, India
T + 91 11 23465100 W www.dalmiasugar.com CIN: L15100TN1951PLC000640
Registered Office: Dalmiapuram, District Tiruchirapalli – 621651, Tamil Nadu, India
A **Dalmia Bharat Group** company, www.dalmiabharat.com

May 30, 2024

To
The National Stock Exchange of India Limited
Exchange Plaza, Plot No. C-1, Block G
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051
Symbol: DALMIASUG

Sub: Application under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended (“LODR Regulations”) in respect of the Scheme of Arrangement between Dalmia Bharat Sugar and Industries Limited (“Demerged Company” or “DBSIL” or “Company”) and Dalmia Bharat Refractories Limited (“Resulting Company” or “DBRL”) and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“Scheme”)

Ref: Application No. 40216

Complaint Report:

Part A

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

Part B

Sr. No.	Name of complainant	Date of complaint	Status
1.	NA	NA	NA

Yours faithfully,

For **Dalmia Bharat Sugar and Industries Limited**

AASHHIMA
V KHANNA

Digitally signed by AASHHIMA V
KHANNA
DN: cn=AASHHIMA V KHANNA
o=IN oo=Personal
Reason: I am the author of this
document
Location:
Date: 2024.06.05 17:36+05:30

(Aashima V Khanna)

Company Secretary

Membership No.: A34517

Dalmia Bharat Sugar and Industries Limited

4th Floor, Hansalaya Building, 15 Barakhamba Road, New Delhi – 110001, Delhi, India

T + 91 11 23465100 W www.dalmiasugar.com CIN: L15100TN1951PLC000640

Registered Office: Dalmiapuram, District Tiruchirapalli – 621651, Tamil Nadu, India

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LIST OF LITIGATIONS PENDING WITH CHETTICHAVADI JAGHIR MAGNESITE AND DUNITE MINES:

Sn	Case Reference	Facts	Current Status
1.	In terms of the Supreme Court Order dated the 22nd of August 2017 in Writ Petition (Civil) No. 114 of 2014, Dist. Collector Salem raised a demand vide order dated 18 th June 2019 directing Dalmia Bharat Sugar & Industries Ltd. (DBSIL), project proponent here to pay sum of INR 11.44 crore on the quantity of Dunite mined without EC for the period 1 st April 2000 to 31 st March 2018.	The said demand was challenged by the DBSIL before Hon'ble Madras High Court by WP No. 889 of 2020 wherein DBSIL. The said writ petitions were dismissed by Hon'ble High Court vide orders dated 12 th June 2020. The orders dated 12 th June 2020 passed by Hon'ble High Court have been challenged by DBSIL vide Writ Appeal No. 834 of 2020 District Collector has also issued notice date 8th July 2020 for recovery of the amount. We have requested you to keep the recovery proceedings in abeyance in view of the matter being sub judice.	The Writ Appeal 834/2020 has now been disposed of vide orders dated 15 th Feb 2024 in W.A.No.671 of 2020 & etc. batch. The order dated 12 th June 2020 has been set aside and the matter has been remanded to the District Collector for de-novo adjudication.
2.	District Collector, Salem has also raised another demand vide order dated 08.07.2020 directing	This demand was challenged by filing W.P.No.32057 of 2023 before Madras High	This W.P.No.32057 of 2023 has now been disposed of vide orders dated 15 th Feb 2024 in W.A.No.671 of 2020

Dalmia Bharat Sugar and Industries Limited

11th & 12th Floor, Hansalaya Building, 15 Barakhamba Road, New Delhi – 110001, Delhi, India

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Registered Office: Dalmiapuram, District Tiruchirapalli – 621651, Tamil Nadu, India

A Dalmia Bharat Group company, www.dalmiabharat.com

Sn	Case Reference	Court	Facts	Current Status
	project proponent to pay sum of Rs.7.24 crore on the quantity of Magnesite mined without EC for the period 01.04.2000 to 31.03.2018.			& etc. batch and the matter has been remanded to the District Collector for de-novo adjudication.
3.	W.P.No.2517 of 2018 before Madras H.C. (District Collector's demand of surface compensation of Rs.79,88,39,062 from 20.08.1966 till 31.10.2017)	Court	Project Proponent has filed W.P.No.2517 of 2018 before Madras H.C. Later on, vide orders dated 28 th Feb 2022, the writ had been tagged with Writ Appeal, No. 757 of 2020. The Writ Appeal also pertains to said demand U/r 72 while stay of demand has been ordered to be continued, until vacated by Court. The demand is stayed till date.	Pending, stay order is in force (Copy enclosed as Annexure No-iii)
4.	DCBL Vs State of Tamil Nadu WA No. 2685 02687 of 2021		This matter pertains to demand of lease rent of INR 73 Lakhs as well as local cess and local cess surcharge on a patch of land {9 acres (Approx.) out of which close to 3 acres in exclusive use of Mines} which interconnects mining lease land with Highway. This patch of land /road is being used by general public as well	Pending for disposal

For Dalmia Bharat Sugar and Industries Limited

Dalmia Bharat Sugar and Industries Limited

11th & 12th Floor, Hansalaya Building, 15 Barakhamba Road, New Delhi – 110001, Delhi, India
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Registered Office: Dalmiapuram, District Tiruchirappalli – 621651, Tamil Nadu, India

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AASHIMA
V KHANNA

Aashima V Khanna
Company Secretary