

COMPOSITE SCHEME OF ARRANGEMENT

AMONG

**LEMON TREE HOTELS LIMITED
("LTH")**

AND

**FLEUR HOTELS LIMITED
("Transferee Company")**

AND

**CARNATION HOTELS PRIVATE LIMITED
("Transferor Company 1")**

AND

**HAMSTEDE LIVING PRIVATE LIMITED
("Transferor Company 2")**

AND

**ORIOLE DR. FRESH HOTELS PRIVATE LIMITED
("Transferor Company 3")**

AND

**CANARY HOTELS PRIVATE LIMITED
("Transferor Company 4")**

AND

**SUKHSAGAR COMPLEXES PRIVATE LIMITED
("Transferor Company 5")**

AND

**MANAKIN RESORTS PRIVATE LIMITED
("Transferor Company 6")**

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

**(UNDER SECTIONS 230-232 AND OTHER APPLICABLE PROVISIONS OF THE
COMPANIES ACT, 2013)**

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PREAMBLE

A. BRIEF DESCRIPTION OF THE COMPANIES

1. Lemon Tree Hotels Limited ("LTH")

1.1 Lemon Tree Hotels Limited is a public limited company incorporated on June 2, 1992, under the Companies Act, 1956, bearing CIN L74899HR1992PLC140546 and having its registered office at Lemon Tree Corporate Park, Urban Complex, Ullahawas, Sector 60, Gurugram, Haryana-122011. LTH is, inter alia, engaged in the hospitality business and owns / leases / operates / franchises hotels, motels and resorts. The equity shares of LTH are listed on BSE and NSE.

1.2 The main objects of LTH as provided in its memorandum of association are, inter alia:

- (a) to carry on the business of hotel, motel, resorts, time sharing holiday resorts, restaurant, café, catering, boarding home, fast foods, industrial feeding canteens, tavern, bars, refreshment, housekeepers, clubs, cabarets, discotheques, baths, dressing rooms, laundries, reading, writing and newspaper rooms, shopping centers, grounds, places of amusement, recreation, convention, exhibitions, symposiums, swimming pools, bakery, confectionery, entertainment shows, hairdressers and perfumers;
- (b) to run educational programmes and courses for training personnel in various fields such as hotel, financial and technical management and to run schools, coaching centers, hostels, institutes and other allied educational activities in connection with objects as the aforesaid.

2. Fleur Hotels Limited ("Transferee Company")

2.1 Fleur Hotels Limited is a public limited company incorporated on July 9, 2003, under the Companies Act, 1956, bearing CIN U55101HR2003PLC140540 and having its registered office at Lemon Tree Hotel, Urban Complex, Ullahawas, Sector 60, Gurugram, Haryana-122011. LTH presently holds 58.91% of the share capital of the Transferee Company. The Transferee Company is, inter alia, engaged in the hospitality business and owns / leases hotels, motels and resorts. The Transferee Company will seek listing of its equity shares on the Stock Exchanges as specified in the Scheme.

2.2 The main objects of the Transferee Company as provided in its memorandum of association are, inter alia:

- (a) to carry on the business of hotels, motels, resorts, time sharing holiday resorts, restaurant, café, catering, boarding home, banquets, tavern, bars, refreshment rooms, housekeepers, discotheques, laundries, places of amusement, recreation, convention, symposiums and entertainment shows and to carry on the business of establishing, developing, renovating, managing and running hotels, motels, holiday and health resorts and to provide and undertake all kinds of related services and activities;
- (b) to purchase, acquire, taken on lease or in exchange or in any other lawful manner any area, land, buildings, structures and to turn the same into account, develop the same and dispose of or maintain the same and to build townships markets or other buildings residential and commercial or conveniences thereon and to equip the same or part thereof with all or any amenities or conveniences, drainage facility, electric,

telephonic, television installations and to deal with the same in any manner whatsoever, and by advancing money to and entering into contracts and arrangements of all kinds with builders, tenants and others;

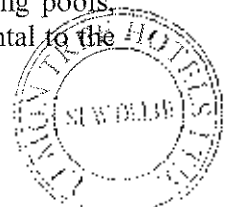
- (c) to construct, erect, build, repair, re-model, demolish, develop, improve, grades, curve, pave, macadamize, cement and maintain buildings structures, houses, service apartments; entertainment centers, business centers, restaurant, apartments, hospitals, schools, places of worship, highways, roads, paths, streets, sideways, courts alleys pavements and to do other similar construction, leveling or paving work, and for these purposes to purchase, take on lease, or otherwise acquire and hold any lands and prepare lay-out thereon or buildings of any tenure or description wherever situate, or rights or interest therein or connected therewith;
- (d) to carry on business as estate agents and estate managers and to collect rents, repair, look after and manage immovable properties of or for any persons, firms and companies, governments and States, as well as this company, to give, take, let and sublet rent-farming contracts, and to carry out, undertake, or supervise any buildings, constructing, altering, improving, demolishing, and repairing operations and all other works and operations in connection with immoveable estates and properties;
- (e) to purchase, sell, develop, take in exchange, or on lease, hire or otherwise acquire, whether for investment or sale, or working the same, any real or personal estate including lands, mines, business, building, factories, mill, houses, cottages, shops, depots, warehouses, machinery, plant, stock in trade, mineral rights, concessions, privileges, licenses, easement or interest in or with respect to any property or Interest in or with respect to any property whatsoever for the purpose of the Company's in consideration for a gross sum or rent or partly in one way an partly in the other or for any other consideration and to carry on business as proprietors of flats and buildings and to let on lease or otherwise apartments therein and to provide for the conveniences commonly provided in flats, suites, and residential and business quarters.

3. **Carnation Hotels Private Limited ("Transferor Company 1")**

3.1 Carnation Hotels Private Limited is a private limited company incorporated on December 24, 2002, under the Companies Act, 1956, bearing CIN U55101HR2002PTC140541 and having its registered office at Lemon Tree Corporate Park, Urban Complex, Ullahawas, Sector 60, Gurugram, Haryana-122011. Transferor Company 1 is a wholly owned subsidiary of LTH. The Transferor Company 1 is, inter alia, engaged in the hospitality business and provides end-to-end management solutions to hotel owners, from design conceptualization to day-to-day operations.

3.2 The main objects of the Transferor Company 1 as provided in its memorandum of association are, inter alia:

- (a) To establish and carry on the business of operating, managing, promoting and franchising hotels, motels, resorts, time sharing holiday resorts, health resorts, serviced apartments, holiday homes, boarding and lodging house, banquet hall, camps, restaurant, café, refreshment room, catering, eating places, pubs, bars, clubs, discotheques, reading, writing and newspaper rooms, shopping centres, grounds, places of amusement, recreation, exhibitions, symposiums, spa, swimming pools, conference and convention centres and other activities related and incidental to the hospitality business.



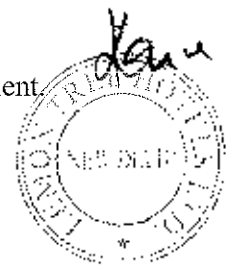
- (b) to enter into management contracts, franchise agreements, technical agreements, technical services agreement and other agreements and or arrangements identical or similar thereto, with various parties and to establish, provide, maintain and conduct research, training and other services for the training, education and instruction of personnel in the business of franchising, operating, managing and promoting the hotels, motels and other hospitality business as aforementioned.
- (c) to equip and furnish any property for the purpose of letting or hiring in full or part the same to visitors whether in single or double room suits, chalets cottages, apartments, resorts or otherwise and to manage land, buildings and other properties situate as aforesaid, whether belonging to the company or not and to collect rents and income, and to supply tenants and occupiers and others, refreshments, attendance, messages light, waiting rooms, reading rooms, meeting rooms, lavatories, laundry conveniences, electric conveniences, stables and other advantage.
- (d) to carry on business of advisers and/or consultants on problems and matters relating to the planning, construction, reconstruction, development, improvement, operation, management, administration, organisation, finance, quality control, personnel, patent, invention model, design, secret formula or process or similar property right or information concerning any hotel or hotels, trade or business and other relative business and all systems or process relating to production, storage distribution, sale, of goods and/or relating to rendering specialised services including technical know-how and services to engage in and carry on research into all matters, and methods, technique relating to manufacture, finance, personnel and industrial and business management and distribution, marketing and selling, to collect prepare and distribute information and statistics relating to any type of hotel or hotels as may be considered desirable for or beneficial to all or any of the Company's objects or any person or any body corporate having objects similar to those of the Company and to render all such other services ancillary or incidental to any of the foregoing matters.

4. Hamstede Living Private Limited ("Transferor Company 2")

4.1 Hamstede Living Private Limited is a private limited company incorporated on December 6, 2018, under the Companies Act, 2013, bearing CIN U74999HR2018PTC140543 and having its registered office at Lemon Tree Corporate Park, Urban Complex, Ullahawas, Sector 60, Gurugram, Haryana-122011. Transferor Company 2 is a wholly owned subsidiary of LTH. The Transferor Company 2 is, inter alia, engaged in the hospitality business.

4.2 The main objects of the Transferor Company 2 as provided in its memorandum of association are, inter alia:

- (a) To provide full-range accommodation and lodging services including food services, facilities management, transportation, laundry, communication, broadband, entertainment and community services through designing, developing, constructing, repositioning, refurbishing, owning, acquiring, leasing, and managing short and long stay real estate projects (including, shared accommodation, hostels, guesthouses), with a primary focus on student housing, co-living for working professionals/adults, etc.;
- (b) to provide services in relation to (a) above, including property management.



5. Oriole Dr. Fresh Hotels Private Limited (“Transferor Company 3”)

5.1 Oriole Dr. Fresh Hotels Private Limited is a private limited company incorporated on September 9, 2004, under the Companies Act, 1956, bearing CIN U85110HR2004PTC140547 and having its registered office at Lemon Tree Corporate Park, Urban Complex, Ullahawas, Sector 60, Gurugram, Haryana-122011. Transferor Company 3 is a wholly owned subsidiary of LTH (with LTH holding 78.35% of its shareholding directly and the remaining 21.15% indirectly through another wholly owned subsidiary, i.e., Transferor Company 1). The Transferor Company 3 is, inter alia, engaged in the hospitality business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc.

5.2 The main objects of the Transferor Company 3 as provided in its memorandum of association are, inter alia:

- (a) To carry on the business of hotel, motel, resorts, holiday and health resorts, restaurant, café, catering boarding home, fast foods, industrial feeding canteens, tavern bars, refreshment rooms, house keepers, baths, dressing rooms, laundries, reading, writing and newspaper rooms, shopping centres, grounds, places of amusement, recreation, convention, exhibitions, symposiums, swimming pools, bakery confectionary, entertainment shows, hairdressers and perfumers.
- (b) to carry on the business of establishing, developing, renovating, managing and running hotels, motels, holiday and health resorts, holiday camps, spa, guest houses, marriage home, banquet hall, restaurants, fast food centres, ice cream parlours, caterers, canteens, cafes, taverns, pubs, bars, beer houses, refreshment rooms and lodging of apartments, housekeepers, discotheques, swimming pools, health clubs, bath dressing rooms, licences victuallers, wine, beer, mineral and artificial waters and other drinks, purveyors, caters for public amusement generally and to provide and undertake all kinds of related services and activities.
- (c) to promote, develop, set up and manage commercial centres, office centres, shopping centres, health clubs, studios or any other place or places of amusement and entertainment of general public utility.
- (d) to provide camping and parking place for motorists, lodging and boarding restaurants, eating house, bar, swimming pool and other facilities including motorists, visitors and other delegates coming from all over India and foreign countries and to the members of delegations and mission from foreign countries and to encourage, carry on and facilitate motorists and tourist trade in India.

6. Canary Hotels Private Limited (“Transferor Company 4”)

6.1 Canary Hotels Private Limited is a private limited company incorporated on January 6, 2006, under the Companies Act, 1956, bearing CIN U55101HR2006PTC140545 and having its registered office at Lemon Tree Corporate Park, Urban Complex, Ullahawas, Sector 60, Gurugram, Haryana-122011. Transferor Company 4 is a wholly owned subsidiary of LTH (with LTH holding 94.17% of its shareholding directly and the remaining 5.83% indirectly through another wholly owned subsidiary, i.e., Transferor Company 1). The Transferor Company 4 is, inter alia, engaged in the business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc.

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6.2 The main objects of the Transferor Company 4 as provided in its memorandum of association are, inter alia:

- (a) To carry on the business of hotel, motel, resorts, time sharing holiday resorts, restaurant, café, catering boarding home, fast foods, tavern, bars, refreshment rooms, house keepers, cabarets, discotheques, laundries, places of amusement, recreation, convention, exhibitions, symposiums and entertainment shows.
- (b) to carry on the business of establishing, developing, renovating, managing and running hotels, motels, and health resorts, holiday camps, spa, guest houses, marriage home, banquet hall, restaurants, fast food centres, ice cream parlours, caterers, canteens, cafes, taverns, pubs, bars, beer houses, refreshment rooms, and lodging of apartments, housekeepers, discotheques, swimming pools, health clubs, bath dressing rooms, licensed, victuallers, wine, beer, and spirit merchants, exporters, importers of aerated, mineral and artificial waters and other drinks, purveyors, caterers for public amusement generally and to provide and undertake all kinds of related services and activities.
- (c) to provide camping and parking place for motorists, lodging and boarding restaurants, eating house; bar, swimming pool and other facilities including motorists, visitors and other delegates coming from all over India and foreign countries and to the members of delegations and mission from foreign countries and to encourage and carry on the facilitate motorists and tourist trade in India.

7. Sukhsagar Complexes Private Limited ("Transferor Company 5")

7.1 Sukhsagar Complexes Private Limited is a private limited company incorporated on April 27, 1993, under the Companies Act, 1956, bearing CIN U70101HR1993PTC140544 and having its registered office at Lemon Tree Corporate Park, Urban Complex, Ullahawas, Sector 60, Gurugram, Haryana-122011. Transferor Company 5 is a wholly owned subsidiary of LTH (with LTH holding 79.90% of its shareholding directly and the remaining 20.10% indirectly through another wholly owned subsidiary, i.e., Transferor Company 1). The Transferor Company 5 is, inter alia, engaged in the business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc.

7.2 The main objects of the Transferor Company 5 as provided in its memorandum of association are, inter alia:

- (a) To carry on the business of hotel, motel, resorts, time sharing holiday resorts, restaurant, café, catering, boarding home, tavern, bars, refreshment rooms, house keepers, discotheques, laundries, places of amusement, recreation, convention, symposiums and entertainment shows and to carry on the business of establishing developing, renovating, managing and running hotels, motels, holiday and health resorts and to provide and undertake all kinds of related service and activities.
- (b) to acquire by purchase, lease, auction, exchange, mortgage, hire or otherwise lands and property of any tenure or to join for any interest in the same.
- (c) to erect and construct houses, buildings or works of every description on any land of the Company or upon any other lands or property, and to pull down, rebuild, enlarge, alter and improve existing houses, buildings or works thereon, to convert and



appropriate any such land for roads, streets, squares, gardens and other conveniences and generally to deal with and improve the property of the company or others.

- (d) to sell, lease, let, hire, auction, mortgage or otherwise dispose of the lands, houses, flats, buildings and any other property of the company or of others.
- (e) to undertake or direct the construction and the management of the property, buildings, lands and estates (of any tenure or kind) of any person, organisation or institution, whether member of the company or not, in the capacity of steward or otherwise.

8. Manakin Resorts Private Limited (“Transferor Company 6”)

8.1 Manakin Resorts Private Limited is a private limited company incorporated on November 7, 2005, under the Companies Act, 1956, bearing CIN U55101HR2005PTC140538 and having its registered office at Lemon Tree Corporate Park, Urban Complex, Ullahawas, Sector 60, Gurugram, Haryana-122011. Transferor Company 6 is a wholly owned subsidiary of LTH. The Transferor Company 6 is, inter alia, engaged in the business of developing, owning, acquiring, renovating and promoting hotels, motels, resorts, restaurants, etc.

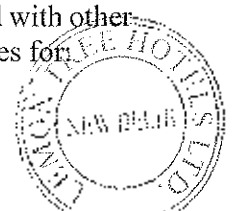
8.2 The main objects of the Transferor Company 6 as provided in its memorandum of association are, inter alia:

- (a) To carry on the business of hotels, resorts, time share, leisure activities, theme parks, restaurants, fast food restaurants, house boats.
- (b) to establish and carry on in India and elsewhere the business to acquire, undertake, promote, run, manage, lease, convert, build, commercialize, handle, operate, renovate, construct, maintain, improve, exchange, furnish, recondition, hire, let on hire, develop, consolidate, sub-divide, and merge, demerge, organize, hotels, restaurant, cafes, taverns, rest houses, tea and coffee houses, beer houses, bars, flight kitchen, lodging, housekeeper, cottage or grocers, poulterers, green grocers, discotheque, banquet halls, dressing rooms, places of amusement, recreations, art galleries, sports, entertainment, health clubs, agencies, motor cabs, produce, process, buy, sell, import, export, service, wholesale, retail, pack, repack, or otherwise to deal in all kinds of vegetarian foods, non-vegetarian foods, beverages, wines, waters, purveyors, cigarettes, soft drinks, ice creams, juices, cosmetics, provisions, spices and goods, consumables connected thereto.
- (c) to purchase, contract or otherwise acquire any land, building or premises and to turn into account, develop, improve, alter, demolish or let out for the purpose of carrying on the business of midway resorts or highways, motels, holiday camps, casinos.
- (d) to acquire, establish and maintain healthcare and slimming centres, gymnasiums, massage parlour, body care centre, beauty parlour, mini sports boutique including swimming pool, library and to provide the services relating to weight losing and gaining programs, modern gadgetries and aerobics, yoga techniques for improving health, sauna, steam, and jacuzzi baths for clients.

B OVERVIEW OF THE SCHEME

1. This Scheme (as defined hereinafter) is presented under Sections 230 to 232 read with other applicable provisions of the Companies Act (as defined hereinafter) and provides for

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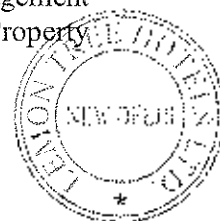


- (a) Amalgamation of Transferor Company 1 and Transferor Company 2 with LTH and the dissolution of Transferor Company 1 and Transferor Company 2 without winding up in accordance with Sections 230 to 232 and other applicable provisions of the Companies Act and in accordance with Section 2(1B) and other applicable provisions of the IT Act 1961 (as defined hereinafter) or with Section 2(6) of the IT Act 2025 (as defined hereinafter), as applicable, and in the manner specified in Part III of this Scheme (“**Amalgamation 1**”);
- (b) Amalgamation of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 with the Transferee Company and the dissolution of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 without winding up in accordance with Sections 230 to 232 and other applicable provisions of the Companies Act and in accordance with Section 2(1B) and other applicable provisions of the IT Act 1961 or with Section 2(6) of the IT Act 2025, as applicable, and in the manner specified in Part IV of this Scheme (“**Amalgamation 2**”); and
- (c) Immediately after effectiveness of Amalgamation 1 and Amalgamation 2, Demerger (as defined hereinafter) of the Demerged Undertaking (as defined hereinafter) of LTH into the Transferee Company on a going concern basis in accordance with Sections 230 to 232 and other applicable provisions of the Companies Act and in accordance with Section 2(19AA) and other applicable provisions of the IT Act 1961 or with Section 2(35) of the IT Act 2025, as applicable and in the manner specified in Part V of this Scheme.
2. The Scheme also provides for other matters consequential or otherwise integrally connected therewith in the manner as provided in this Scheme.

C PARTS OF THE SCHEME

This Scheme is divided into 6 (six) parts:

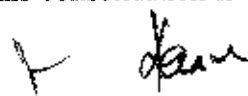
- I. **PART-I** deals with the definitions, interpretation and operation of the Scheme;
- II. **PART-II** deals with the capital structure of the Companies;
- III. **PART-III** deals with the Amalgamation of Transferor Company 1 and Transferor Company 2 with LTH and the dissolution of Transferor Company 1 and Transferor Company 2 without winding up;
- IV. **PART-IV** deals with the Amalgamation of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 with the Transferee Company and the dissolution of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 without winding up and execution of the SH Management Agreements (as defined hereinafter);
- V. **PART-V** deals with the Demerger of the Demerged Undertaking of LTH into and with the Transferee Company, in accordance with Sections 230 to 232 of the Companies Act and the continuation and amendment to the Existing Management Agreements (as defined hereinafter) and execution of the Demerged Property Management Agreements (as defined hereinafter); and



VI. **PART-VI** deals with the general terms and conditions applicable to this Scheme.

D BACKGROUND AND RATIONALE OF THE SCHEME

1. LTH is a leading hospitality company in India with an established portfolio of owned, leased and managed hotels. In addition to its hotel-ownership portfolio, LTH has developed a strong hotel-management platform covering brand systems, distribution, sales, loyalty, technology, operations and other central functions. LTH presently holds 58.91% of the equity share capital of the Transferee Company.
2. LTH has undertaken a detailed review of its business structure with a view to segregating: (i) the asset-heavy hotel-ownership and development undertaking, and (ii) the asset-light hotel-management and brand platform undertaking and determined that the business comprising the asset-heavy hotels (including the Demerged Hotel Properties (as defined hereinafter)) and the Development Capabilities (as defined hereinafter) is a distinct and self-sustaining undertaking well suited to be housed in the Transferee Company.
3. Therefore, to achieve operational focus, greater flexibility for capital deployment, and clearer alignment of business objectives, it is proposed under this Scheme to (i) amalgamate Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 with the Transferee Company; and (ii) demerge and vest the Demerged Undertaking (comprising the Demerged Hotel Properties and the Development Capabilities together with the related undertakings, as defined hereinafter) into the Transferee Company, while LTH will continue to focus on the asset-light hotel management support, brand and operations including management support of the hotels transferred to the Transferee Company and other properties.
4. The Scheme seeks to establish the Transferee Company as the principal entity housing the Demerged Hotel Properties assets and investments and establish LTH as the primary platform for hospitality management and brand, of the group. The Scheme will ensure that the group retains unified strategic control, while providing operational independence and financial flexibility to each entity.
5. Upon the Scheme becoming effective, the Transferee Company shall issue equity shares to the shareholders of LTH in consideration for the Demerger. As a result, all shareholders of LTH will obtain a direct shareholding in the Transferee Company and thereby directly participate in the economic value and growth of the hotel-ownership and development undertaking. LTH will continue to hold equity shares in the Transferee Company and, on the assumption that only shares pursuant to Amalgamation 2 and Demerger are issued, such shareholding is expected to represent approximately 41.03% of the equity share capital of the Transferee Company, which shall be subject to dilution pursuant to the Proposed Preferential Issue, if undertaken. Accordingly, LTH will continue to participate indirectly in the Transferee Company through such retained strategic investment. Following the implementation of the Scheme, the Transferee Company will cease to be a subsidiary of LTH, and its shares will be listed on the Stock Exchanges, enabling transparent price discovery and market-driven valuation of the asset-heavy business. This structure ensures that the shareholders of LTH directly participate in the economic value of the hotel-ownership and development undertaking through listed shares of the Transferee Company.
6. Further, the amalgamation of Transferor Company 1 and Transferor Company 2 with LTH, both wholly owned subsidiaries of LTH, is intended to simplify the existing group structure by eliminating legal and structural layering and consolidating the assets and liabilities of these entities directly within the LTH platform. This consolidation is expected to reduce

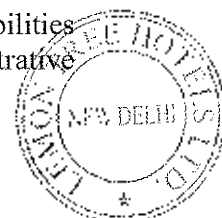


administrative processes and compliance costs associated with maintaining multiple standalone legal entities, and will allow for the centralisation of contracts, cashflows, governance and reporting under LTH. This removes duplication, improves organisational efficiency and reduces controllership overheads, while ensuring continuity of business operations within LTH.

7. The principal objects and rationale of this Scheme are as follows:

- (a) To consolidate all hospitality management and operations of the Transferor Company 1 and Transferor Company 2 into a single entity, LTH, through Amalgamation 1, and to consolidate certain hotel-owning companies into the Transferee Company through Amalgamation 2, thereby eliminating duplications, improving operational efficiency, and ensuring unified brand management and decision-making.
- (b) To reorganize the group's business by amalgamating the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 together with the Subsidiary Hotels (defined below) and the Demerged Undertaking of LTH, into the Transferee Company. This will ensure LTH remains focused on hotel management and operational activities, while the Transferee Company serves as the asset-holding and investment platform. In furtherance of this objective, (i) the Existing Management Agreements shall be amended, inter alia, to extend their tenure from the Appointed Date to ensure continuity of hotel operations, brand management and commercial arrangements between LTH and the Transferee Company, and (ii) new hotel operating agreements shall be entered into between LTH and the Transferee Company (and/or its subsidiaries), for the operation and management of the properties transferred to the Transferee Company, in each case, in the manner specified in the Scheme.
- (c) To enable a potential separate listing of the Transferee Company, thereby providing it with independent market visibility, valuation, and access to capital for expansion and acquisition of new hospitality assets.
- (d) To clearly demarcate the ownership and management functions of the group, allowing each entity to pursue its respective business objectives efficiently, while continuing to operate in synergy through management and service arrangements.
- (e) To establish separate management teams and governance frameworks for LTH and the Transferee Company, promoting accountability, agility, and strategic oversight at both the operational and asset levels.
- (f) To create a flexible structure enabling the Transferee Company to attract investors or co-development partners for specific hotel projects, without affecting LTH's brand operations or control over strategic decisions.
- (g) To centralize all hotel management and brand arrangements under LTH, ensuring consistent service quality, operational standards, and brand positioning across owned and third-party hotels.
- (h) To simplify the existing group structure by amalgamating the Transferor Company 1 and Transferor Company 2, both wholly owned subsidiaries of LTH, into LTH eliminating legal and structural layering and consolidating the assets and liabilities of these entities directly within the LTH platform thereby reducing administrative

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processes and compliance costs associated with maintaining multiple standalone legal entities.

- (i) To achieve long-term value enhancement for shareholders by establishing two distinct yet complementary platforms, with LTH operating as the management and brand company and the Transferee Company operating as the asset platform, thereby improving operational focus, financial efficiency and market positioning.
8. The Scheme is expected to result in a simplified, transparent, and growth-oriented structure for the group's hospitality business, aligning ownership, operations and management functions in a manner consistent with best global practices in the hotel and hospitality industry. The restructuring will deliver the following key benefits:
- (a) The Scheme will unlock intrinsic value for shareholders by enabling distinct market recognition and valuation of the hospitality management and brand business housed in LTH, and the hotel ownership housed in the Transferee Company. The separate listing of Transferee Company will allow investors to directly participate in the hotel assets, while LTH continues to derive stable, fee-based revenues through management contracts.
 - (b) The Scheme will consolidate all management and brand operations into LTH, enhancing efficiency and synergy across the hospitality portfolio.
 - (c) Amalgamation 2 and the Demerger will place the Subsidiary Hotels, the Demerged Hotel Properties and the Developmental Capabilities under the Transferee Company, providing financial clarity and enabling tailored capital structures for owned assets.
 - (d) Distinct management and operational responsibilities will drive greater accountability and decision-making speed.
 - (e) Separate listing of the Transferee Company will enable direct market valuation and access to dedicated pools of capital for asset growth.
 - (f) The Scheme will allow for targeted partnerships and provide a scalable framework for future expansion.
 - (g) The Scheme will improve operational efficiency within LTH by amalgamating its wholly-owned subsidiaries (Transferor Company 1 and Transferor Company 2) directly into LTH, thereby removing corporate layering, simplifying administrative and compliance processes, and enabling centralised governance, controllership and reporting for these businesses.
 - (h) The Scheme will consolidate the hotel-ownership and development vertical within the Transferee Company through the amalgamation of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 and the Demerger of the Demerged Undertaking from LTH to the Transferee Company, thereby strengthening the Transferee Company as the focused asset platform of the group, enhancing transparency for asset-side investors and lenders, and facilitating long-term capital planning and allocation for owned hotel assets.



9. The Scheme is in the best interests of the shareholders, creditors, employees and other stakeholders of all the Companies involved and is expected to result in long-term sustainable growth, financial flexibility and enhanced stakeholder value.

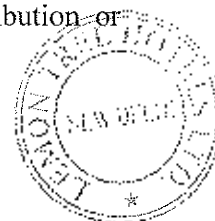
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PART-I: GENERAL – DEFINITIONS, INTERPRETATIONS AND OPERATION OF THE SCHEME

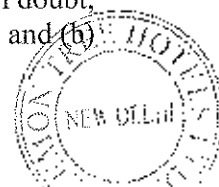
1. DEFINITIONS

- 1.1. In this Scheme, unless repugnant to the subject or context or meaning thereof, the following expressions shall have the meanings as set out herein below:
- 1.2. “**Amalgamating Companies**” means and includes Transferor Company 1, Transferor Company 2, Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6;
- 1.3. “**Amalgamation 1**” and “**Amalgamation 2**” shall have the meaning set out in Clauses 1(a) and 1(b) of Paragraph B of the Preamble of the Scheme;
- 1.4. “**Amalgamation 1 Proceedings**” shall have the meaning set out in Clause 7 of the Scheme;
- 1.5. “**Amalgamation 2 Proceedings**” shall have the meaning set out in Clause 16 of the Scheme;
- 1.6. “**Amalgamations**” means collectively, Amalgamation 1 and Amalgamation 2, and “**Amalgamation**” means any one of them, as the context may require;
- 1.7. “**APG**” shall have the meaning set out in Clause 4.2(b) of the Scheme;
- 1.8. “**Applicable Law(s)**” means any applicable statute, enactment, law, regulation, ordinance, rule, judgment, order, decree, policy, clearance, approval, directive, guideline, press notes, requirement, writ, injunction, directions, judgment, arbitral award, decree or any similar form of determination by or decision of or agreements with any Governmental Authority, in each case having the force of law, and is binding or applicable to a person, whether in effect as of the date on which this Scheme has been approved by the Boards or at any time thereafter;
- 1.9. “**Appointed Date**” means commencement of business hours of April 1, 2026 or such other date as may be determined by the NCLT;
- 1.10. “**Assets**” means without limitation, assets and properties of every kind, nature and description and the rights and interest therein, whether included in the balance sheet or not and includes movable and immovable property (whether freehold or leasehold or otherwise acquired), tangible or intangible assets (including all investments in securities of all descriptions), deposits (including deposits for leases, utilities, suppliers/vendors/contractors), inventory, fixed assets, plant, machinery and equipment, electrical equipment, information technology and communication equipment, software, furniture, fixtures and fittings, all books, records, files, papers, process information, technical data, design materials, manuals, standard operating procedures, cuisine knowledge, software licences, software programmes, mobile and web applications, databases (including procurement, commercial, project-management and operational databases), catalogues, quotations, sales and advertising materials, supplier lists, customer information (including credit information and pricing data), and all other records, whether in physical or electronic form and expressly excluding all records, systems and databases forming part of the hotel management, branding, loyalty, reservation, distribution or corporate platforms of LTH;



- 1.11. “**Board of Directors**” or “**Board**” in relation to the Companies, means their respective board of directors and, unless it is repugnant to the context or otherwise, includes any committee of directors or any person authorised by the board of directors or by such committee of directors;
- 1.12. “**BSE**” means BSE Limited;
- 1.13. “**CIN**” means Corporate Identification Number;
- 1.14. “**Claims**” shall mean in relation to a person, any action, demand, legal claim, proceeding, suit, litigation, prosecution, mediation or arbitration whether civil, criminal, administrative or investigative and whether formal or informal, made or brought by or against the person;
- 1.15. “**Companies**” means LTH, the Transferee Company, Transferor Company 1, Transferor Company 2, Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 collectively, and “**Company**” means any one of them as the context may require;
- 1.16. “**Companies Act**” means the Companies Act, 2013 as notified, clarified and/or modified by rules and notifications issued by the Ministry of Corporate Affairs, from time to time;
- 1.17. “**Consent**” shall mean any consent, approval, authorization, waiver, permit, no-objection certificate, quotas, rights, entitlement, grant, concession, clearance, license, certificate, exemption, order, sanction, registration, declaration, filing, report or notice, of, with or to, as the case may be, by any person (including any Governmental Authority);
- 1.18. “**Demerged Assets**” means the Assets that relate to, or pertain to the activities, operations or business of the Demerged Undertaking including the Demerged Hotel Properties, Development Capabilities and the Demerged Assets as disclosed in the balance sheet relating to the Demerged Undertaking as of September 30, 2025 at **Schedule 1** of the Scheme;
- 1.19. “**Demerged Employees**” means the employees of LTH who, as on the Effective Date: (a) are assigned, deployed or engaged exclusively or primarily in the operations (such as front office, housekeeping, food and beverage, security and information technology), management, maintenance, refurbishment, development or support of the Demerged Hotel Properties and/or the Development Capabilities; or (b) are otherwise determined by the Board of Directors of LTH, as employees forming part of the Demerged Undertaking;
- 1.20. “**Demerged Hotel Properties**” means, collectively, the following twelve (12) owned, leased or licensed hotel properties of LTH (each a “**Demerged Hotel**”): (i) Lemon Tree Hotel, Chandigarh; (ii) Lemon Tree Premier, City Center, Gurugram; (iii) Lemon Tree Hotel, Udyog Vihar, Gurugram; (iv) Lemon Tree Premier, Leisure Valley-1, Gurugram; (v) Red Fox Hotel, Delhi Airport; (vi) Lemon Tree Hotel, Banjara Hills, Hyderabad; (vii) Lemon Tree Hotel, Ahmedabad; (viii) Lemon Tree Hotel, Hinjawadi, Pune; (ix) Lemon Tree Premier, Ulsoor Lake, Bengaluru; (x) Lemon Tree Hotel, Chennai; (xi) Red Fox Hotel, Hyderabad; and (xii) Aurika, Shimla and shall also include, in respect of each of the foregoing hotels, all Demerged Assets, contracts, Consents, records, employees and Demerged Liabilities, to the extent that such Demerged Assets, contracts, Consents, records, employees and Demerged Liabilities relate exclusively to, or pertain exclusively to, the ownership, operation, maintenance, refurbishment or development of the relevant LTH Hotel as on the Appointed Date, on a going-concern basis. For the avoidance of doubt, (a) the Retained LTH Hotels shall not form part of the Demerged Hotel Properties; and (b)

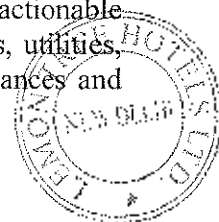
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the Demerged Hotel Properties shall expressly exclude all elements forming part of the Residual Undertaking relating to the hotel management and operations business, any management, franchise or similar contracts relating to owned, leased or third-party hotels, all corporate or shared-services functions, and all intellectual property, brand names, trademarks, service marks, logos, brand systems and associated goodwill of LTH, which shall be retained by LTH;

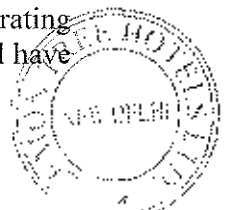
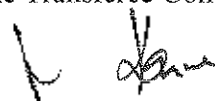
- 1.21. **“Demerged Liabilities”** means (a) all Liabilities of LTH that arise out of, relate to, or pertain to the activities, operations or business of the Demerged Undertaking; (b) all specific loans, borrowings, debentures or other indebtedness raised, incurred and utilised exclusively for the purposes of the Demerged Undertaking; and (c) all Liabilities of LTH relating to the Demerged Employees, including statutory and contractual employee-related obligations such as gratuity, provident fund, superannuation, leave encashment and pension benefits, whether arising prior to, on, or after the Appointed Date and whether arising upon resignation, death, retirement, retrenchment or otherwise including the Liabilities as disclosed in the balance sheet relating to the Demerged Undertaking as of September 30, 2025 at **Schedule 1** of the Scheme;
- 1.22. **“Demerged Property Management Agreements”** shall have the meaning set out in Clause 24.6(a) of the Scheme;
- 1.23. **“Demerged Undertaking”** means, collectively: (a) the Demerged Hotel Properties; and (b) the Development Capabilities of LTH, together with all businesses, undertakings, operations, Demerged Assets, rights, interests and benefits of LTH, of whatsoever nature and kind and wheresoever situated, that relate exclusively to, or pertain exclusively to: (A) the ownership, operation, maintenance, refurbishment or development of the Demerged Hotel Properties; and/or (B) the performance, support or exercise of the Development Capabilities including all personnel, systems, processes and documentation required for hotel development activities, whether relating to the Demerged Hotel Properties or any future hotel development opportunities, as on the Appointed Date, on a going-concern basis, whether situated in or outside India, and excluding, for the avoidance of doubt, all businesses, Assets, employees, intellectual property, goodwill, brand, contracts and Liabilities forming part of the Residual Undertaking, and including, without limitation:
- (a) all immovable properties forming part of the Demerged Hotel Properties, including the underlying land (whether freehold, leasehold, licensed, tenanted or otherwise), together with all buildings, structures and capital work-in-progress standing thereon, and all associated easements, rights of way, appurtenant rights, licences, tenancies and other rights, and all deeds, instruments, records and evidence of title, in each case relating exclusively to the Demerged Hotel Properties;
 - (b) all movable, intangible, financial and other non-immovable and right-of-use assets relating exclusively to the ownership, operation, maintenance, refurbishment or development of the Demerged Hotel Properties and/or exclusively to the performance, support or exercise of the Development Capabilities, whether present or future or contingent, tangible or intangible, corporeal or incorporeal, in possession or not, wherever situated and whether or not recorded in the books of LTH, including, without limitation: (i) all capital work-in-progress, plant and machinery, furniture, fixtures, furnishings, computers, servers, IT systems, software, air-conditioning systems, appliances, accessories, inventories, office equipment, communication systems, installations and vehicles; (ii) all actionable claims, earnest monies, security deposits (including deposits for leases, utilities, suppliers/vendors/contractors) retention monies, prepaid expenses, advances and

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all forms of receivables (whether billed, unbilled, accrued or contingent); (iii) all bills of exchange, promissory notes and other negotiable instruments; (iv) all financial assets, including liquid investments and any investments relating exclusively to the Demerged Undertaking, including the investment in Arum Hotels Private Limited (which houses Aurika, Shillong) (received by LTH from Transferor Company 1 pursuant to Part III of this Scheme); (v) all outstanding loans and advances, recoverable in cash or in kind or for value to be received, funds, cash and bank balances, fixed deposits and other deposits, whether with banks, financial institutions, Governmental Authorities, customers, vendors or other persons; (vi) all accrued interest, accrued income, declared dividends, unclaimed dividends, reimbursements, refunds, insurance proceeds and claims; (vii) all reserves, provisions, unutilised funds, benefits of agreements, and all rights, entitlements and benefits under warranties, indemnities, vendor contracts or contractor arrangements relating exclusively to the Demerged Undertaking; (viii) all shares, bonds, debentures, debenture stock, units, pass-through certificates, securities and other financial instruments relating exclusively to the Demerged Undertaking; and (ix) all other movable or financial assets of any kind exclusively relating to the Demerged Undertaking, whether or not expressly enumerated above;

- (c) all Tax-related rights, refunds, credits and entitlements exclusively relating to the ownership, operation, maintenance, refurbishment or development of the Demerged Hotel Properties and/or the performance, support or exercise of the Development Capabilities, including, without limitation, GST input credits, sales tax/entry tax/TDS credits or set-offs, withholding tax credits, regular tax, surcharge and cess credits, Tax refunds (including refunds arising from erroneous or excess payments), deferred tax assets and liabilities, accumulated losses under the IT Act 1961 or IT Act 2025, as applicable, and allowances for unabsorbed depreciation under the IT Act 1961, or IT Act 2025, as applicable, and any carry-forward business losses and unabsorbed depreciation to the extent relatable to the Demerged Undertaking;
- (d) all permits, licences, permissions, rights of way, approvals, authorisations, clearances, consents, registrations, benefits, entitlements, credits, certificates, certifications, accreditations, awards, sanctions, privileges, memberships, allotments, quotas, no-objection certificates, exemptions (including Tax exemptions), pre-qualifications, bid acceptances, concessions, subsidies, Tax deferrals and other benefits (including the benefit of any pending applications for any of the foregoing), and all other licences or clearances granted, issued or given by any Governmental Authority, statutory, regulatory, local or administrative body or any other person, in each case relating exclusively to the Demerged Undertaking, together with all related liberties, advantages and appurtenant rights, whether or not recorded in the books of LTH;
- (e) all intellectual property exclusively related to the Demerged Undertaking, including project-specific copyrights, drawings, specifications, design documents, technical materials, manuals and client data; provided that all corporate-level, group-level or brand-level intellectual property of LTH, including, without limitation, all trademarks (including Lemon Tree Hotels trademark), domain names, service marks, trade names, logos, brand systems, service standards, reservation systems, loyalty programmes, proprietary software, operating manuals, digital assets, and all associated goodwill, together with all intellectual property forming part of LTH's hotel management, branding, distribution, sales, reservations or central operating platform, shall be retained solely by LTH; and the Transferee Company shall have



only such limited rights of use (if any) as are expressly granted under the hotel management and operations agreements or any other definitive agreements entered into between LTH and the Transferee Company;

- (f) all contracts, agreements, service orders, operation and maintenance contracts, memoranda of understanding/undertakings, bids, tariff policies, expressions of interest, letters of intent, tenancy or occupancy rights, rights of way agreements, equipment purchase agreements, customer agreements, supplier or service-provider contracts, concession agreements, deeds, bonds, schemes, undertakings, arrangements, powers of attorney, insurance claims and all other instruments or contracts (whether written or oral, executed or executory, vested or potential, and as amended, supplemented or restated from time to time), together with all rights, title, interests, claims, assurances and benefits arising therefrom, in each case relating exclusively to the Demerged Hotel Properties or the Development Capabilities provided that all hotel management agreements, franchise agreements, brand agreements, technical services agreements, central reservation system agreements, loyalty programme agreements, distribution agreements, sales and marketing agreements and other hospitality-management or brand-platform contracts shall be expressly excluded and shall form part of the Residual Undertaking;
- (g) all insurance policies relating exclusively to the Demerged Hotel Properties or the Development Capabilities, together with all rights, claims, proceeds and benefits arising therefrom;
- (h) all rights to use and avail telephones, facsimile, email, internet, leased line connections, utilities, electricity and other services; and all reserves, provisions, funds, privileges, easements, liberties, advantages and other appurtenant rights of any nature whatsoever, together with any related registrations, contracts, engagements or arrangements, in each case belonging to, vested in, granted in favour of, or otherwise enjoyed by LTH, to the extent such rights or interests relate exclusively to the Demerged Hotel Properties or the Development Capabilities;
- (i) all books, records, files, papers, process information, technical data, design materials, manuals, standard operating procedures, cuisine knowledge, software licences (whether proprietary or otherwise), software programmes, mobile and web applications, databases (including procurement, commercial, project-management and operational databases), catalogues, quotations, sales and advertising materials, supplier lists, customer information (including credit information and pricing data), and all other records, whether in physical or electronic form, to the extent exclusively related to the Demerged Hotel Properties or the Development Capabilities, and expressly excluding all records, systems and databases forming part of the hotel management, branding, loyalty, reservation, distribution or corporate platforms of LTH;
- (j) the Demerged Employees;
- (k) the Demerged Liabilities; and
- (l) all legal, regulatory, quasi-judicial, administrative, arbitral, taxation (other than those pertaining to the IT Act 1961 or the IT Act 2025) and other proceedings, suits, actions, claims, investigations, show-cause notices and demands, whether pending, threatened, potential or arising in the future, in each case relating to or pertaining

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to the Demerged Undertaking, which shall stand transferred to and continued by or against the Transferee Company in accordance with Applicable Law.

It being clarified that the Demerged Undertaking shall not include any employees, Assets, Liabilities, contracts, rights, interests or obligations forming part of the Residual Undertaking. Any question as to whether any specific Asset, Liability, employee, contract or other matter pertains to the Demerged Undertaking or the Residual Undertaking shall be determined solely through a written mutual agreement of the Boards of LTH and the Transferee Company;

- 1.24. **“Demerger”** means the transfer and vesting of the Demerged Undertaking of LTH into the Transferee Company on a going concern basis, pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, in such manner that the Demerged Undertaking comprising the Demerged Assets and Demerged Liabilities shall stand transferred to and vest in the Transferee Company without any further act, instrument or deed and the consequent issue of equity shares by the Transferee Company to the shareholders of LTH in the manner specified in this Scheme, in accordance with the provisions of Section 2(19AA) and other relevant provisions of the IT Act 1961 or relevant provisions of IT Act 2025;
- 1.25. **“Development Capabilities”** means the in-house project development function of LTH, comprising the personnel, expertise, systems, processes, methodologies and technical capabilities dedicated to the origination, evaluation, planning, design, engineering, construction, renovation, refurbishment and delivery of hotel development projects, including: (i) LTH’s project development teams, including architects, interior designers, engineers, project managers, quantity surveyors, site managers, construction supervisors and project-execution personnel; (ii) all processes, tools, methodologies and systems used for project planning, feasibility analysis, budgeting, design management, procurement planning, tendering, contractor and vendor management, site supervision, quality assurance/quality control, regulatory compliance, project monitoring and cost management; (iii) all project documentation, including drawings, specifications, design standards, construction manuals, engineering data, project reports, plans, checklists, procurement templates and other materials used in the development and execution of hotel projects including standard development templates and toolkits (including draw request formats and development budget templates) used in the development and execution of hotel projects; (iv) the capability and function to undertake future hotel development projects, whether relating to the Demerged Hotel Properties or any future development opportunities of the Transferee Company, including tenders/ bids/ expressions of interest submitted for developing new hotel projects (if any), market screening, site selection, feasibility and valuations, diligence, transaction structuring and execution, land/change-of-use approvals, financing arrangements, training, fit-out and commissioning of hotel facilities and project-level systems and procedures (for front/back office, housekeeping and maintenance), etc.; (v) experience, past track record, credentials relating to the Development Capabilities; and (vi) all contracts, deeds, agreements, indemnities, guarantees, insurance policies, or other similar rights or entitlements whatsoever, schemes, arrangements, and other instruments in relation to the foregoing; provided that: (a) Development Capabilities do not include any corporate-level or group-level trademarks, service marks, trade names, logos, brand systems, brand standards, customer relationships, corporate goodwill, or any intellectual property used for hotel management, branding, distribution, loyalty programmes, reservation systems or central operations, all of which shall remain the exclusive property of LTH as part of the Residual Undertaking; and (b) the Transferee Company shall have access to corporate brand intellectual property of LTH only to the extent expressly granted.

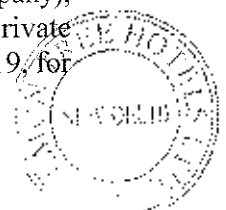
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under the hotel operating/ management agreements or any other contract between LTH and the Transferee Company;

- 1.26. **“Effective Date”** under the Scheme shall be the date on which the last of the conditions precedent specified in Clause 33.1 of the Scheme are duly completed, unless duly waived in terms of the Scheme. References in this Scheme to “coming into effect of this Scheme” or “effectiveness of this Scheme” or “Scheme becomes effective” shall mean the Effective Date;
- 1.27. **“Encumbrance”** shall mean any mortgage, pledge, charge (whether fixed or floating), assignment, hypothecation, security interest, title retention, preferential right, option (including call commitment), trust arrangement, right of set-off, counterclaim or banker’s lien, any designation of loss payees or beneficiaries or any similar arrangement under or with respect to any insurance policy or any preference of one creditor over another arising by operation of Applicable Law, privilege or priority of any kind having the effect of security or any interest, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Indian Law or an agreement, arrangement or obligation to create any of the foregoing, whether imposed by contracts, understanding or Applicable Law; and **“Encumber”** shall mean to create any of them;
- 1.28. **“Entitled Party”** shall have the meaning set out in Clause 32.1 of the Scheme;
- 1.29. **“Existing Management Agreements”** means, collectively, the hotel operating agreements entered into between LTH and: **(a)** the Transferee Company in relation to operations and management of hotels owned by the Transferee Company, including the following: (i) the hotel operating agreement dated April 25, 2012 for Lemon Tree Premier, Hi Tech City Hyderabad; (ii) the hotel operating agreement dated March 1, 2015 for Lemon Tree Hotel, Gachibowli, Hyderabad; (iii) the hotel operating agreement dated August 1, 2015 for Lemon Tree Amarante Beach Resort, Goa; (iv) the hotel operating agreement dated December 19, 2016 for Lemon Tree Hotel, Candolim (Goa); (v) the hotel operating agreement dated January 9, 2017 for Red Fox Hotel, Sector 60, Gurugram; (vi) the hotel operating agreement dated January 20, 2017 for Lemon Tree Hotel, Sector 60, Gurugram; (vii) the hotel operating agreement dated April 1, 2017 for Lemon Tree Premier, Leisure Valley 2, Gurugram; (viii) the hotel operating agreement dated June 12, 2019 for Lemon Tree Premier, Mumbai; (ix) the hotel operating agreement dated October 22, 2018 for Red Fox Hotel, Dehradun; (x) the hotel operating agreement dated October 29, 2019 for Aurika Hotels & Resorts, Udaipur; (xi) hotel operating agreement dated December 5, 2018 for Lemon Tree Premier, Pune; (xii) the hotel operating agreement dated October 14, 2019 for Lemon Tree Premier, Kolkata; **(b)** Bandhav Resorts Private Limited (a wholly-owned subsidiary of the Transferee Company), in relation to operations and management of Lemon Tree Wildlife Resort, Bandhavgarh, through the hotel operating agreement dated December 19, 2016; **(c)** Celsia Hotels Private Limited (a wholly-owned subsidiary of the Transferee Company), in relation to operations and management of Lemon Tree Hotel, Electronic City, through the hotel operating agreement dated June 29, 2012; **(d)** Hyacinth Hotels Private Limited (a wholly-owned subsidiary of the Transferee Company), in relation to operations and management of Lemon Tree Premier, Delhi Airport, through the hotel operating agreement dated September 22, 2014; **(e)** Inovia Hotels And Resorts Limited (a wholly-owned subsidiary of the Transferee Company), in relation to operations and management of Lemon Tree Hotel, Whitefield through the hotel operating agreement dated September 30, 2013; **(f)** Berggruen Hotels Private Limited (a wholly-owned subsidiary of the Transferee Company), in relation to operations and management of hotels owned by Berggruen Hotels Private Limited, including the following: hotel operating agreement dated November 15, 2019, for

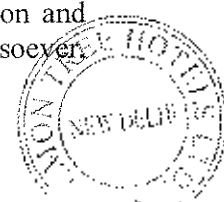
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each of (i) Keys Select Hotel, Hosur Road, (ii) Keys Select Hotel, Thiruvananthapuram, (iii) Keys Select Hotel, Whitefield, (iv) Keys Select Hotel, Kochi, (v) hotel operating agreement dated November 15, 2019 for Keys Select Hotel, Pimpri, Pune; (vi) the hotel operating agreement dated November 15, 2019 for Keys Select Hotel, Ludhiana; and (vii) the hotel operating agreement dated November 15, 2019 for Keys Select Hotel, Visakhapatnam; and (g) Iora Hotels Private Limited (a wholly-owned subsidiary of the Transferee Company), in relation to operations and management of Aurika Hotels & Resorts, Mumbai, through the hotel operating agreement dated October 5, 2023, in each case, as amended from time to time;

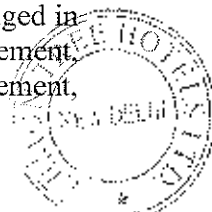
- 1.30. **“Governmental Authority(ies)”** means and includes, whether in or outside India (as applicable): (a) any national, state, territory, provincial, district, local or similar governmental, statutory, regulatory, administrative authority, tribunal or court or other entity, in each case authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law; (b) any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations, standards, requirements, procedures, or orders of such authority, body or other organization have the force of law; (c) any stock exchange of India or any other country, the Registrar of Companies, Regional Director, Ministry of Corporate Affairs, Reserve Bank of India, Securities and Exchange Board of India, Official Liquidator, National Company Law Tribunal, and any other sectoral regulators or authorities as may be applicable; and (d) any body exercising executive, legislative, judicial, regulatory or administrative functions including delegated function/authority of or pertaining to government, including any other government authority, agency, department, board, commissions, instrumentality or any political sub-division thereof or arbitrator and any self-regulatory organization;
- 1.31. **“Holding Party”** shall have the meaning as set out in Clause 32.1 of the Scheme;
- 1.32. **“ICDR Regulations”** means the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time;
- 1.33. **“Ind AS”** shall mean the Indian Accounting Standards notified under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time;
- 1.34. **“INR”** or **“Rs.”** or **“Re.”** shall mean Indian Rupee(s);
- 1.35. **“Investor”** shall have the meaning set out in Clause 4.2(b) of the Scheme;
- 1.36. **“IT Act 1961”** means the Income-tax Act, 1961, the rules made thereunder and will include any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force;
- 1.37. **“IT Act 2025”** means the Income-tax Act, 2025, once enacted and brought into effect, the rules made thereunder and will include any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force;
- 1.38. **“Liabilities”** means all debts (whether in Rupees or foreign currency), liabilities (including contingent liabilities, provisions, guarantees and obligations under any license or permit or schemes or claims from customers), borrowings, bills payable, interest accrued and loans raised and used, obligations incurred and duties of any kind, nature or description and undertakings of every kind or nature and the liabilities of any description whatsoever;

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whether present or future, and howsoever raised or incurred or utilized along with any charge, Encumbrance, lien or security thereon;

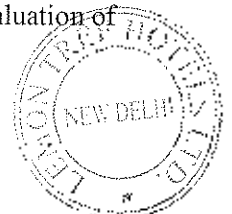
- 1.39. **“LODR Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
- 1.40. **“NCLT”** or **“Tribunal”** means the Regional Bench of the National Company Law Tribunal at Chandigarh, having jurisdiction over such companies for the purposes of this Scheme and shall include, if applicable, such other forum or authority as may be vested with the powers of a tribunal for the purposes of Sections 230 to 232 of the Companies Act as may be applicable;
- 1.41. **“New Management Agreements”** means collectively, the SH Management Agreements and Demerged Property Management Agreements;
- 1.42. **“NSE”** means National Stock Exchange of India Limited;
- 1.43. **“Proposed Preferential Issue”** shall have the meaning set out in Clause 4.2(b) of the Scheme;
- 1.44. **“Record Date”** means, (i) in relation to the amalgamation of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 with the Transferee Company, the date to be fixed by the respective Board of Directors’ of Transferor Company 3, Transferor Company 4, Transferor Company 5 and the Transferor Company 6 for determining the shareholders of each such Transferor Company entitled to receive shares of the Transferee Company pursuant to this Scheme; and (ii) in relation to the demerger of the Demerged Undertaking, the date to be fixed by the Board of Directors of LTH for determining the shareholders of LTH entitled to receive shares of the Transferee Company pursuant to this Scheme;
- 1.45. **“Registrar of Companies”** or **“ROC”** means the Registrar of Companies, Haryana at Chandigarh;
- 1.46. **“Residual Undertaking”** means all undertakings, businesses, operations, activities, Assets, rights, interests, employees, Liabilities and obligations of LTH that shall continue to be retained and carried on by LTH upon this Scheme coming into effect, including, without limitation, the Retained LTH Hotels, together with all Assets, rights, interests, contracts, Consents, employees and Liabilities exclusively relating thereto; and further including the entire hotel management, operations, branding, marketing, distribution, reservations, loyalty, franchise, consultancy, revenue management, sales, quality assurance, training and other hospitality-management businesses of LTH (whether carried on in relation to the Demerged Hotel Properties, the Retained LTH Hotels or any other owned, leased or third-party hotels), together with all intellectual property and brand assets of LTH including all trademarks, service marks, trade names, logos, brand systems, domain names, proprietary software, operating manuals, SOPs, standards of service, reservation systems, loyalty programmes, digital assets and all associated goodwill; all rights, interests and benefits under all hotel management agreements, franchise agreements, technical services agreements, central reservation system agreements, sales and marketing agreements, branding agreements, advisory arrangements and other commercial agreements relating to the hotel management or brand business; all employees engaged in or attributable to hotel management, branding, sales, marketing, revenue management, reservations, training, corporate support, finance, HR, legal, IT, procurement,



administrative or other centralised functions, together with all related employment liabilities; all movable Assets, office equipment, computers, servers, IT infrastructure, software licences, databases, corporate furniture, vehicles, inventories and other tangible Assets used in or forming part of the hotel management or corporate platform; all current assets, receivables, deposits, loans and advances, accrued income, cash and bank balances, reserves and other financial assets arising from or relating to the retained businesses of LTH; all Liabilities (whether present, future, accrued or contingent) arising from or relating to the hotel management, brand, reservations, distribution, consultancy or corporate functions of LTH; and all documents, manuals, records, systems, data, operational information, training materials, corporate policies and databases relating to the retained businesses of LTH, together with all other undertakings, employees, Assets, rights, interests, contracts and Liabilities of LTH, whether existing on the Appointed Date or arising thereafter including all Liabilities of LTH (including any Liabilities pertaining to representations, warranties and corresponding indemnities). The balance sheet relating to the Residual Undertaking as on September 30, 2025 is set out at **Schedule 2** of this Scheme;

- 1.47. **“Retained LTH Hotels”** means, collectively, the following hotel properties of LTH which shall continue to be owned, operated and retained by LTH as part of the Residual Undertaking: (i) Lemon Tree Hotel, Indore; and (ii) Lemon Tree Hotel, Aurangabad; together with all Assets, rights, interests, contracts, permits, licences, employees, books and records, Liabilities and obligations exclusively or primarily relating to or pertaining to the ownership, operation, management, refurbishment or maintenance of the foregoing properties;
- 1.48. **“Sanction Order”** means the order of the NCLT sanctioning this Scheme;
- 1.49. **“Scheme”** means this Composite Scheme of Arrangement among LTH, Transferee Company, Transferor Company 1, Transferor Company 2, Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 and their respective shareholders and creditors pursuant to Sections 230-232 and other applicable provisions of the Companies Act in its present form or with such modifications and amendments as may be made from time to time, with the appropriate approvals and sanctions of the NCLT and other relevant regulatory authorities including without limitation the SEBI, as may be required under the Companies Act and under all other Applicable Laws;
- 1.50. **“SEBI”** means the Securities and Exchange Board of India;
- 1.51. **“SEBI Circular”** means circular no. SEBI/HO/CFD/POD-2/CIR/2023/93 dated June 20, 2023 issued by SEBI or any other circulars issued by SEBI applicable to schemes of arrangement from time to time;
- 1.52. **“SH Management Agreements”** shall have the meaning set out in Clause 14.20 of the Scheme;
- 1.53. **“SHA”** shall have the meaning set out in Clause 4.2(b) of the Scheme;
- 1.54. **“Share Entitlement Ratio Report”** means the Share Entitlement Ratio Report dated December 31, 2025 from BDO Valuation Advisory LLP, an independent Registered Valuer (IBBI Registered Valuer No. IBBI/RV/E/02/2019/103) *inter alia*, determining the share entitlement ratios for Amalgamation 2 and the Demerger specified in the Scheme, basis of the valuation of the relevant transferring and the transferee entities;

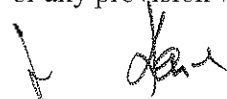
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- 1.55. "SPA" shall have the meaning set out in Clause 4.2(b) of the Scheme;
- 1.56. "Stock Exchanges" means BSE Limited and National Stock Exchange of India Limited;
- 1.57. "Subsidiary Hotels" means the following hotel undertakings: (i) the Red Fox Hotel, East Delhi, Mayur Vihar Phase – III, owned by Transferor Company 3; (ii) the Lemon Tree Hotel, East Delhi Mall, Kaushambi, owned by Transferor Company 4; (iii) the Red Fox Hotel, Jaipur, owned by Transferor Company 5; and (iv) the Lemon Tree Vembanad Lake Resort, Kerala, owned by Transferor Company 6;
- 1.58. "Tax" means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, gross receipts, premium, immovable property, movable property, profession, wealth, gift, employment, payroll, franchise tax, turnover, added value, goods and services or otherwise and shall further include payments in respect of or on account of tax, whether by way of deduction at source, collection at source, dividend distribution tax, advance tax, minimum alternate tax, excise duty, central sales tax, service tax, octroi, local body tax and customs duty, goods and services tax, charges on unearned income, transfer charges/ fees, surcharges, cess, levies and all interest, fines, penalties, charges, assessments and costs relating thereto to tax resulting from, attributable to or incurred in connection with any proceedings or late payments in respect thereof;
- 1.59. "TCS" means tax collected at source, in accordance with the provisions of IT Act 1961 or IT Act 2025, as applicable;
- 1.60. "TDS" means tax deductible at source, in accordance with the provisions of IT Act 1961 or IT Act 2025, as applicable; and
- 1.61. "Wrong Pocket Asset" shall have the meaning set out in Clause 32.1 of the Scheme.

2. INTERPRETATION

- 2.1. Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Companies Act, the IT Act 1961 or IT Act 2025, as applicable, the Securities Contract (Regulation) Act, 1956, the Depositories Act, 1996, the Foreign Exchange Management Act, 1999 and other Applicable Laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.
- 2.2. The words "include" and "including" are to be construed without limitation. The ejusdem generis (of the same kind) rule will not apply to the interpretation of this Scheme.
- 2.3. In this Scheme, unless the context otherwise requires:
- (a) references to "persons" shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
- (b) reference to any law or to any provision thereof shall include references to any such law or to any provision thereof as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted, or to any law or any provision which replaces



it, and any reference to any statute or to any statutory provision shall include any subordinate legislation made from time to time under that statute or provision;

- (c) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- (d) references to one gender includes all genders;
- (e) words in the singular shall include the plural and vice versa; and
- (f) percentages have been rounded off up to two decimal places.

2.4. Any references to sections of the Companies Act, 1956 shall be deemed to include references to the equivalent provisions of the Companies Act if notified. Any references to sections of the IT Act 1961 shall be deemed to include references to the equivalent provisions of the IT Act 2025 or any subsequent enactment thereof.

3. **DATE OF TAKING EFFECT AND OPERATIVE DATE**

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

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PART II: CAPITAL STRUCTURE

4. CAPITAL STRUCTURE

4.1. LTH

As on January 9, 2026, i.e. the date of approval of the Scheme by the Boards of Directors of the Companies, the capital structure of LTH, is as under:

Share Capital	Amount (in Rs.)
Authorised Capital	
1,00,73,90,000 equity shares of Rs. 10 each.	10,07,39,00,000
1,95,000 5% redeemable preference shares of Rs. 100 each.	1,95,00,000
4,90,000 Preference shares of Rs. 100 each.	4,90,00,000
Total	10,14,24,00,000
Issued, Subscribed and Paid-up Share Capital *	
79,22,46,464 equity shares of Rs. 10 each.	7,92,24,64,640
Total	7,92,24,64,640

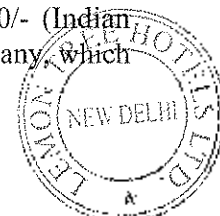
4.2. Transferee Company

(a) As on January 9, 2026, i.e. the date of approval of the Scheme by the Boards of Directors of the Companies, the capital structure of the Transferee Company, is as under:

Share Capital	Amount (in Rs.)
Authorised Capital	
13,58,50,000 equity shares of Rs. 10 each	1,35,85,00,000
10,00,000 Preference shares of Rs. 100 each	10,00,00,000
1,14,00,000 Preference shares of Rs. 10 each	11,40,00,000
Total	1,57,25,00,000
Issued, Subscribed and Paid-up Share Capital	
9,78,31,493 equity shares of Rs. 10 each	97,83,14,930
Total	97,83,14,930

Note: The equity shares of the Transferee Company are presently not listed on any stock exchange. An application shall be made with the BSE and NSE post the effectiveness of the Scheme, for listing of the equity shares of the Transferee Company so that upon Demerger of the Demerged Undertaking into the Transferee Company, the members of the Transferee Company have ready access to market and can freely trade in the shares of the Transferee Company.

(b) On January 9, 2026, APG Strategic Real Estate Pool NV (“APG”), an existing shareholder of the Transferee Company has entered into a share purchase agreement (“SPA”) with Coastal Cedar Investments B.V., an entity registered in Netherlands (“Investor”), the Transferee Company and LTH for the transfer of its entire shareholding of 41.09% (forty one point zero nine percent) in the Transferee Company to the Investor. Simultaneous with the execution of the SPA, the Transferee Company, LTH, certain promoters of LTH and the Investor have entered into a shareholders’ agreement (“SHA”) in relation to the Transferee Company. In terms of the SHA, as and when the Transferee Company needs growth capital, the Investor has the right to provide such capital to the Transferee Company, by subscription to equity shares, for an amount of up to INR 960,00,00,000/- (Indian Rupees Nine Hundred and Sixty Crores) at a valuation of the Transferee Company, which



is not less than the valuation of the Transferee Company determined under the Share Entitlement Ratio Report, as provided for in the SHA (“**Proposed Preferential Issue**”). Any issuance of equity shares by the Transferee Company to the Investor (or its affiliates) may result in dilution of the shareholding held by LTH in the Transferee Company. However, such Proposed Preferential Issue to the Investor shall not impact, alter change the Share Entitlement Ratio 1, Share Entitlement Ratio 2, Share Entitlement Ratio 3, Share Entitlement Ratio 4 and / or Share Entitlement Ratio 5 as specified in the Scheme.

4.3. Transferor Company 1

- (a) As on January 9, 2026, i.e. the date of approval of the Scheme by the Boards of Directors of Companies, the capital structure of the Transferor Company 1, is as under:

Share Capital	Amount (in Rs.)
Authorised Share Capital	
10,00,000 equity shares of Re. 1 each	10,00,000
3,50,000 5% Preference Shares of Rs. 100 each	3,50,00,000
Total	3,60,00,000
Issued, Subscribed and Paid-up Share Capital	
9,34,580 equity shares of Re. 1 each	9,34,580
Total	9,34,580

- (b) As on January 9, 2026, i.e. the date of approval of the Scheme by the Boards of Directors of the Companies, the Transferor Company 1 is a wholly owned subsidiary of LTH and 1 (one) equity share is held by the nominee of LTH in order to satisfy the requirement of the Companies Act.

4.4. Transferor Company 2

- (a) As on January 9, 2026, i.e. the date of approval of the Scheme by the Boards of Directors of the Companies, the capital structure of the Transferor Company 2, is as under:

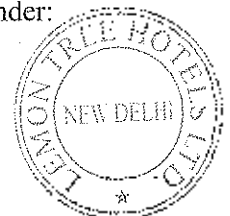
Share Capital	Amount (in Rs.)
Authorised Share Capital	
4,00,00,000 equity shares of Rs. 10 each	40,00,00,000
95,00,000 Preference shares of Rs. 10 each	9,50,00,000
Total	49,50,00,000
Issued, Subscribed and Paid-up Share Capital	
2,95,00,000 equity shares of Rs. 10 each	29,50,00,000
Total	29,50,00,000

- (b) As on January 9, 2026, i.e. the date of approval of the Scheme by the Boards of Directors of the Companies, the Transferor Company 2 is a wholly owned subsidiary of LTH and 1 (one) equity share is held by the nominee of LTH in order to satisfy the requirement of the Companies Act.

4.5. Transferor Company 3

- (a) As on January 9, 2026, i.e. the date of approval of the Scheme by the Boards of Directors of the Companies, the capital structure of the Transferor Company 3, is as under:

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Share Capital	Amount (in Rs.)
Authorised Share Capital	
2,21,00,000 equity shares of Rs. 10 each	22,10,00,000
Total	22,10,00,000
Issued, Subscribed and Paid-up Share Capital	
52,00,000 equity shares of Rs. 10 each	5,20,00,000
Total	5,20,00,000

- (b) As on January 9, 2026, i.e. the date of approval of the Scheme by the Boards of Directors of Companies, the Transferor Company 3 is a wholly owned subsidiary of LTH and 5 (five) equity shares are held by the nominees of LTH in order to satisfy the requirement of the Companies Act.

4.6. Transferor Company 4

- (a) As on January 9, 2026, i.e. the date of approval of the Scheme by the Boards of Directors of the Companies, the capital structure of the Transferor Company 4, is as under:

Share Capital	Amount (in Rs.)
Authorised Share Capital	
66,60,00,000 equity shares of Re. 1 each	66,60,00,000
Total	66,60,00,000
Issued, Subscribed and Paid-up Share Capital	
53,19,45,400 equity shares of Re. 1 each	53,19,45,400
Total	53,19,45,400

- (b) As on January 9, 2026, i.e. the date of approval of the Scheme by the Boards of Directors of the Companies, the Transferor Company 4 is a wholly owned subsidiary of LTH and 1 (one) equity share is held by the nominees of LTH in order to satisfy the requirement of the Companies Act.

4.7. Transferor Company 5

- (a) As on January 9, 2026, i.e. the date of approval of the Scheme by the Boards of Directors of the Companies, the capital structure of the Transferor Company 5, is as under:

Share Capital	Amount (in Rs.)
Authorised Share Capital	
1,56,80,000 equity shares of Rs. 10 each	15,68,00,000
Total	15,68,00,000
Issued, Subscribed and Paid-up Share Capital	
1,27,60,000 equity shares of Rs. 10 each	12,76,00,000
Total	12,76,00,000

- (b) As on January 9, 2026, i.e. the date of approval of the Scheme by the Boards of Directors of the Companies, the Transferor Company 5 is a wholly owned subsidiary of LTH and 10 (ten) equity shares are held by the nominees of LTH in order to satisfy the requirement of the Companies Act.

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4.8. **Transferor Company 6**

- (a) As on January 9, 2026, i.e. the date of approval of the Scheme by the Boards of Directors of the Companies, the capital structure of the Transferor Company 6, is as under:

Share Capital	Amount (in Rs.)
Authorised Share Capital	
60,00,000 equity shares of Rs. 10 each	6,00,00,000
Total	6,00,00,000
Issued, Subscribed and Paid-up Share Capital	
57,14,280 equity shares of Rs. 10 each	5,71,42,800
Total	5,71,42,800

- (b) As on January 9, 2026, i.e. the date of approval of the Scheme by the Boards of Directors of the Companies, the Transferor Company 6 is a wholly owned subsidiary of LTH and 1 (one) equity share is held by the nominee of LTH in order to satisfy the requirement of the Companies Act.

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PART-III: AMALGAMATION OF TRANSFEROR COMPANY 1 AND TRANSFEROR COMPANY 2 WITH LTH

5. TRANSFER AND VESTING OF ENTIRE BUSINESS OF TRANSFEROR COMPANY 1 AND TRANSFEROR COMPANY 2 WITH LTH

- 5.2 Upon the Effective Date and with effect from the Appointed Date and pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act and in accordance with Section 2(1B) and other applicable provisions of the IT Act 1961 or with Section 2(6) of the IT Act 2025, as applicable and Applicable Laws, and subject to the provisions of this Scheme, Transferor Company 1 and Transferor Company 2 shall stand amalgamated with LTH as a going concern and the business of Transferor Company 1 and Transferor Company 2 (including all assets, property, liabilities and obligations of Transferor Company 1 and Transferor Company 2) shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in LTH, so as to become, as and from the Appointed Date, the business (including assets, property, liabilities and obligations, as the case may be) of LTH, by virtue of operation of law, and in the manner provided in this Scheme.
- 5.3 All the assets and properties of Transferor Company 1 and Transferor Company 2, which are movable in nature (including but not limited to all intangible assets), or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred by Transferor Company 1 and Transferor Company 2 to LTH upon the coming into effect of this Scheme and with effect from the Appointed Date and shall, *ipso facto* and without any other order to this effect, become the assets and properties of LTH without requiring any deed or instrument of conveyance for transfer of the same.
- 5.4 All immovable properties of Transferor Company 1 and Transferor Company 2, whether freehold or leasehold or leave and licence and any documents of title, rights and easements in relation thereto, shall stand transferred and vested in LTH, and shall become the property and an integral part of LTH, without any further act, instrument or deed and without any Consent of any third party. Upon the Scheme coming into effect, LTH shall be entitled to exercise all rights and privileges and be liable to pay all Taxes and charges, and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation of the ownership or title, or interest in the immovable properties (whether freehold or leasehold) comprised in Transferor Company 1 and Transferor Company 2, in favour of LTH, shall be made and duly recorded by the Governmental Authorities pursuant to the sanction of this Scheme.
- 5.5 Notwithstanding anything contained in this Scheme, if required, the concerned parties shall execute and register or cause so to be done, separate deeds of conveyance or deed of assignment of lease in respect of any immovable properties of Transferor Company 1 and Transferor Company 2, whether owned or leased, whether executed before or after the Effective Date, in favour of LTH, for the purpose of inter alia, payment of stamp duty, and vesting with LTH. Each of the immovable properties, only for the payment of stamp duty (if required under Applicable Law), shall be deemed to be conveyed at a consideration determined in accordance with Applicable Law. The execution of such conveyance shall form an integral part of the Scheme.
- 5.6 With respect to the assets of Transferor Company 1 and Transferor Company 2 other than those referred to in Clause 5.2 and 5.3 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments, shares, mutual funds, bonds and any other securities, sundry debtors, claims from

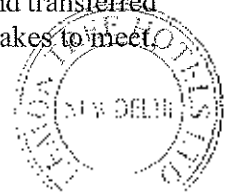
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customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Governmental Authority, customers and other persons, whether or not the same is held in the name of Transferor Company 1 or Transferor Company 2, the same shall, without any further act, instrument or deed, be transferred to and/or be deemed to be transferred to LTH, with effect from the Appointed Date by operation of law as transmission in favour of LTH. With regard to the licences/ leases of the properties, LTH will be entitled to enter into novation agreements, if it is so required.

- 5.7 In respect of any assets owned by Transferor Company 1 and Transferor Company 2 as on the Effective Date, other than those mentioned in the foregoing clauses, including all documents, deeds, agreements, mortgages, pledges, guarantees, actionable claims, contingent assets, sundry debtors, outstanding loans, advances, whether recoverable in cash or kind or for value to be received and deposits, if any, with the local and other authorities, bodies corporate, customers etc., Transferor Company 1 and Transferor Company 2 shall, if so required by LTH, and LTH may, issue notices in such form as LTH may deem fit and proper stating that pursuant to the NCLT having sanctioned this Scheme, the relevant debt, loan, advance or other asset, be paid or made good or held on account of LTH, as the person entitled thereto, to the end and intent that the right of Transferor Company 1 and Transferor Company 2 to recover or realize the same stands transferred to LTH and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 5.8 All the brands and trademarks owned by Transferor Company 1 and Transferor Company 2 including registered and unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights and all such other industrial and intellectual property rights of whatsoever nature shall stand transferred to LTH by operation of law. LTH shall take such actions as may be necessary and permissible to get the same transferred and/ or registered in the name of LTH.
- 5.9 With effect from the Appointed Date, all debts, liabilities, contingent liabilities, provisions, duties and obligations of every kind, nature and description of Transferor Company 1 and Transferor Company 2 whether provided for or not in the books of Transferor Company 1 and Transferor Company 2, and all other liabilities which may accrue or arise after the Appointed Date but which relates to the period on or up to the Appointed Date shall, pursuant to the order of NCLT or such other competent authority as may be applicable under Section 232 and other applicable provisions of the Companies Act, without any further act or deed, be transferred or deemed to have been transferred to and vested in and assumed by LTH, so as to become as on the Appointed Date, the liabilities and obligations of LTH which undertakes to meet, discharge and satisfy the same and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities and obligations have arisen in order to give effect to the provisions of this Clause 5.8.
- 5.10 Where any of the debt, liabilities, contingent liabilities, duties and obligations of Transferor Company 1 and Transferor Company 2 as on the Appointed Date, deemed to be transferred to LTH have been discharged by Transferor Company 1 or Transferor Company 2, as the case may be, after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of LTH, and all loans raised and used and all liabilities and obligations incurred by Transferor Company 1 and Transferor Company 2 after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of LTH and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing stand transferred to LTH and shall become the liabilities and obligations of LTH which undertakes to meet.

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discharge and satisfy the same and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such loans and liabilities have arisen in order to give effect to the provisions of this Clause 5.9.

- 5.10 Unless otherwise agreed between Transferor Company 1 and Transferor Company 2 and LTH, the transfer of all the assets of Transferor Company 1 and Transferor Company 2, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of Transferor Company 1 and Transferor Company 2 or part thereof on or over which they are subsisting on and no such Encumbrances shall extend over or apply to any other asset(s) of LTH. Any reference in any security documents or arrangements, if any, (to which Transferor Company 1 or Transferor Company 2 is a party) related to any assets of Transferor Company 1 and Transferor Company 2 shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of LTH. Similarly, LTH shall not be required to create any additional security over assets transferred under this Scheme for any loans, debentures, deposits or other financial assistance already availed of / to be availed of by it, and the Encumbrances in respect of such indebtedness of LTH shall not extend or be deemed to extend or apply to the assets so transferred. The absence of any formal amendment or approval which may be required by a lender or a third party shall not affect the operation of the above.
- 5.11 On and from the Effective Date and till such time that the name(s) of the bank accounts of Transferor Company 1 and Transferor Company 2 have been replaced with that of LTH, LTH shall be entitled to maintain and operate the bank accounts of Transferor Company 1 and Transferor Company 2 in their name and for such time as may be determined to be necessary by LTH. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of Transferor Company 1 and Transferor Company 2 after the Effective Date shall be accepted by the bankers of LTH and credited to the account of LTH, if presented by LTH.
- 5.12 Without prejudice to the provisions of the foregoing sub-clauses of this Clause 5 and upon the effectiveness of this Scheme, Transferor Company 1 and Transferor Company 2 and LTH may execute any and all instruments or documents and do all the acts, deeds and things as may be required, including filing of necessary particulars and/ or modification(s) of charge, necessary applications, notices, intimations or letters with any Governmental Authority or person to give effect to the Scheme.
- 5.13 Benefits of any and all corporate approvals as may have already been taken by Transferor Company 1 and Transferor Company 2, whether being in the nature of compliances or otherwise under Applicable Laws, shall automatically be to the benefit of LTH and the said corporate approvals and compliances shall be deemed to have been taken/complied with by LTH.
- 5.14 With effect from the Appointed Date, all the Consents held or availed of by, and all rights and benefits that have accrued to, Transferor Company 1 and Transferor Company 2, pursuant to the provisions of Section 232 of the Companies Act and under Applicable Laws, shall without any further act, instrument or deed, be transferred to, or be deemed to have been transferred to, and be available to, LTH so as to become as and from the Appointed Date, the Consents, estates, assets, rights, title, interests and authorities of LTH and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible under Applicable Laws to ensure continuation of operations of Transferor

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Company 1 and Transferor Company 2 in LTH without any hindrance and the Consents shall be appropriately mutated by the Governmental Authorities concerned therewith in favour of LTH as if the same were originally given by, issued to or executed in favour of LTH, and LTH shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to LTH.

- 5.15 All contracts, deeds, bonds, agreements, indemnities, guarantees, insurance policies or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, rights, entitlements and Consents for the purpose of carrying on the business of Transferor Company 1 and Transferor Company 2, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to Transferor Company 1 and Transferor Company 2, or to the benefit of which Transferor Company 1 and Transferor Company 2 may be eligible and which are subsisting or having effect immediately before this Scheme coming into effect, shall by endorsement, by delivery or recordal or by operation of law pursuant to the order of the NCLT sanctioning the Scheme, and on this Scheme becoming effective be deemed to be contracts, deeds, bonds, agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, rights, entitlements and Consents of LTH. Such properties and rights described hereinabove shall stand transferred to LTH and shall be deemed to be the property and become the property by operation of law as an integral part of LTH. Such contracts and properties described above shall continue to be in full force and continue as effective as hitherto in favour of or against LTH and shall be the legal and enforceable rights and interests of LTH, which can be enforced and acted upon as fully and effectually as if it were Transferor Company 1 and Transferor Company 2. Upon the effectiveness of the Scheme, the rights, benefits, privileges, duties, liabilities/ debt incurred and moneys borrowed, obligations and interest whatsoever, arising from or pertaining to contracts and properties relating to Transferor Company 1 and Transferor Company 2, shall be deemed to have been entered into and stand assigned, transferred and novated to LTH by operation of law and LTH shall be deemed to be Transferor Company 1's and Transferor Company 2's substituted party or beneficiary or obligor thereto, it being always understood that LTH shall be the successor in the interest of Transferor Company 1 and Transferor Company 2 in relation to the properties or rights mentioned hereinabove. In relation to the same, any procedural requirements required to be fulfilled solely by Transferor Company 1 and Transferor Company 2 (and not by any of its successors), shall be fulfilled by LTH as if it were the duly constituted attorney of Transferor Company 1 and Transferor Company 2.
- 5.16 Without prejudice to the other provisions of this Scheme, LTH may, at any time after the effectiveness of the Scheme, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings, arrangements with any party to any contract or arrangement to which Transferor Company 1 or Transferor Company 2 is a party or any writings as may be necessary in order to give effect to the provisions of this Scheme. With effect from the Appointed Date, LTH shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of Transferor Company 1 and Transferor Company 2 and to carry out or perform all such formalities or compliances referred to above, on the part of Transferor Company 1 and Transferor Company 2.
- 5.17 On and from the Effective Date, and thereafter, LTH shall be entitled to enforce all pending contracts and transactions, actions and issue credit notes on behalf of Transferor Company 1 and Transferor Company 2, in the name of LTH in so far as may be necessary until the

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transfer of rights and obligations of Transferor Company 1 and Transferor Company 2 to LTH under this Scheme have been given effect to under such contracts and transactions.

- 5.18 All unutilized Tax credits (including balances or advances), benefits, subsidies, grants, special status and other benefits or privileges of whatsoever nature under laws pertaining to Taxes, including income-tax, wealth tax, sales tax / value added tax, service tax, central goods and service tax, integrated goods and service tax, State goods and service tax, Union Territory goods and service tax, goods and service tax, compensation cess, excise duty, customs duty or any other levy of similar nature, which Transferor Company 1 and Transferor Company 2 is eligible and entitled to, shall be transferred and available to LTH as an integral part of the Scheme.
- 5.19 This Scheme has been drawn up to comply with the conditions relating to 'Amalgamation' as specified under Section 2(1B) of the IT Act 1961. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of Section 2(1B) and other applicable provisions of the IT Act 1961 or with Section 2(6) of the IT Act 2025, as applicable, at a later date including resulting from an amendment of Applicable Law or for any other reason whatsoever, the provisions of the said section of the IT Act 1961 or IT Act 2025, as applicable, shall prevail. The Scheme shall then be mutually agreed to be modified to the extent determined necessary to comply with Section 2(1B) of the IT Act 1961 or with Section 2(6) of the IT Act 2025, as applicable. Such modifications will however not affect the other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of LTH and the Transferor Company 1 and Transferor Company 2, which power shall be exercised reasonably in the best interests of the companies concerned and their stakeholders.

6. EMPLOYEES

- 6.1 Without prejudice to the foregoing, upon the effectiveness of this Scheme and with effect from the Effective Date, LTH undertakes to engage, without any interruption in service, all employees of Transferor Company 1 and Transferor Company 2 on terms and conditions no less favourable than those on which they are engaged by Transferor Company 1 and Transferor Company 2 as on the Effective Date. LTH undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by Transferor Company 1 and Transferor Company 2 with any of the aforesaid employees. LTH agrees that the services of all such employees with the Transferor Company 1 and Transferor Company 2 prior to the transfer shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits.
- 6.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund or any equivalent funds established under Applicable Laws by whatever name called, of which they are beneficiaries, will be transferred respectively to such provident fund, gratuity fund and superannuation funds or any equivalent funds established under Applicable Laws by whatever name called nominated by LTH and/ or such new provident fund, gratuity fund and superannuation fund or any equivalent funds established under Applicable Laws by whatever name called to be established in accordance with Applicable Law and caused to be recognized by the Governmental Authorities, by LTH.



7. **PROCEEDINGS CONCERNING TRANSFEROR COMPANY 1 AND TRANSFEROR COMPANY 2**

Without prejudice to the foregoing, if any suit, cause of action, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatever nature including proceedings under Tax laws (hereinafter called the "Amalgamation 1 Proceedings") by or against Transferor Company 1 and Transferor Company 2 is pending on the Effective Date, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the amalgamation or this Scheme, but the Amalgamation 1 Proceedings may be continued, prosecuted and enforced by or against LTH in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against Transferor Company 1 and Transferor Company 2 as if this Scheme had not been made. On and from the Effective Date, LTH may initiate or defend any legal proceeding for and on behalf of Transferor Company 1 and Transferor Company 2. In this regard, upon the effectiveness of the Scheme, LTH will undertake appropriate actions and/or proceedings under law for substituting itself in place of Transferor Company 1 and Transferor Company 2 in all pending proceedings involving Transferor Company 1 and Transferor Company 2, respectively.

8. **TAXES/ DUTIES/ CESS**

Without prejudice to the foregoing, upon the effectiveness of the Scheme and with effect from the Appointed Date, by operation of law pursuant to the order of the NCLT:

- (a) all Taxes (including but not limited to disputed tax demands, advance tax, tax deducted at source, tax collected at source, goods and services tax, input tax credit, minimum alternate tax credits, securities transaction tax, value added tax, sales tax, service tax or any taxes of similar nature etc. withheld/paid in any jurisdiction (including India)) payable by or refundable to Transferor Company 1 and Transferor Company 2, including all or any refunds or disputed tax demands, if confirmed, or claims shall be treated as the tax liability or refunds/claims, as the case may be, of LTH, and any incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, subsidies, grants, special status, other benefits, as would have been available to Transferor Company 1 and Transferor Company 2, shall, be available to LTH. If Transferor Company 1 and Transferor Company 2 are entitled to any unutilized credits, benefits under the state or central fiscal / investment incentive schemes and policies or concessions under any tax law or Applicable Law, LTH 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. Without prejudice to the generality of the foregoing, in respect of unutilized input credits under Applicable Laws of Transferor Company 1 and Transferor Company 2 (including but not limited to input tax credit under goods and services tax laws), the same shall be transferred to LTH in accordance with the Applicable Law.
- (b) Taxes of whatsoever nature including advance tax, self-assessment tax, regular assessment taxes, tax deducted at source, dividend distribution tax, minimum alternate tax, tax on buy back, goods and services tax, customs duties, if any, paid by Transferor Company 1 and Transferor Company 2 shall be treated as paid by LTH and it shall be entitled to claim the credit, refund, adjustment for the same as may be applicable.

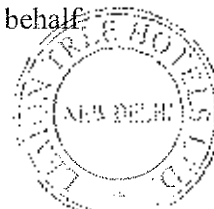
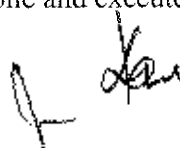
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- (c) Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, unabsorbed Tax depreciation and accumulated losses, if any, of the Transferor Company 1 and Transferor Company 2 as on the Appointed Date, shall, for all purposes, be treated as unabsorbed Tax depreciation and accumulated losses of LTH. It is further clarified that any unabsorbed depreciation of the Transferor Company 1 and Transferor Company 2 as specified in their respective books of accounts shall be included as unabsorbed depreciation of LTH for the purposes of computation of minimum alternate tax.
- (d) If Transferor Company 1 and Transferor Company 2 are entitled to any benefits under incentive schemes and policies under tax laws, all such benefits under all such incentive schemes and policies shall be and stand applicable to the benefit of LTH.
- (e) Transferor Company 1 and Transferor Company 2 and LTH are expressly permitted to revise and file their respective income tax returns and other statutory returns, including tax deducted / collected at source returns, equalisation levy return, service tax returns, sales tax / value added tax / goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, input credits including input tax credit under goods and services tax laws, sales tax, service tax, value added tax, etc., credit of foreign taxes paid/withheld, etc. if any, as may be required for the purposes of/consequent to implementation of the Scheme.
- (f) It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., Transferor Company 1 and Transferor Company 2, shall, if so required by LTH, issue notices in such form as LTH may deem fit and proper stating that pursuant to the NCLT having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of LTH, as the person entitled thereto, to the end and intent that the right of Transferor Company 1 and Transferor Company 2, to recover or realise the same, stands transferred to LTH.
- (g) LTH shall be entitled to claim deduction under Sections 43B, 40A(7) and 40(a)(i), 40(a)(ia) of the IT Act 1961 or Sections 37, 35(b)(i), 35(b)(ii), 29(1)(d) and 29(2) of the IT Act 2025 in respect of unpaid liabilities transferred to it upon Amalgamation 1 to the extent not claimed by the Transferor Company 1 and Transferor Company 2, as and when the same are paid by LTH subsequent to the Appointed Date.
- (h) In case of any all carry forward losses and unabsorbed depreciation in Transferor Company 1 and Transferor Company 2, the same shall be accounted for in accordance with Section 72A of the IT Act 1961.

9. SAVING OF CONCLUDED TRANSACTIONS OF TRANSFEROR COMPANY 1 AND TRANSFEROR COMPANY 2

The transfer of the assets and liabilities of Transferor Company 1 and Transferor Company 2 under Clause 5 above, the effectiveness of contracts and deeds under Clause 5.15, Clause 5.16 and Clause 5.17 above and the continuance of proceedings under Clause 7 above, shall not affect any transactions or proceedings already concluded by Transferor Company 1 and Transferor Company 2 on or before the Effective Date, to the end and intent that LTH accepts and adopts all acts, deeds and things done and executed by Transferor Company 1 and Transferor Company 2 in respect thereto, as if done and executed on its behalf.



10. VALIDITY OF EXISTING CORPORATE AUTHORISATIONS, ETC. OF TRANSFEROR COMPANY 1 AND TRANSFEROR COMPANY 2

Upon this Scheme coming into effect, the resolutions/ power of attorneys executed by Transferor Company 1 and Transferor Company 2, as are considered necessary by the Board of Directors of LTH, and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed/ executed by LTH, and if any such resolutions have any monetary limits approved under the provisions of the Applicable Law, then such limits as are considered necessary by the Board of Directors of LTH shall be added to the limits, if any, under like resolutions passed by LTH and shall constitute the new aggregate limits for each of the subject matters covered under such resolutions/power of attorneys for the purpose of LTH.

11. CONSIDERATION AND CANCELLATION OF EQUITY SHARES HELD BY LTH IN TRANSFEROR COMPANY 1 AND TRANSFEROR COMPANY 2

11.1. Upon the Scheme coming into effect, all equity shares of Transferor Company 1 and Transferor Company 2 held by LTH (either directly or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued and no payment in cash shall be made whatsoever, as consideration, by LTH in lieu of shares of Transferor Company 1 and Transferor Company 2 as Transferor Company 1 and Transferor Company 2 are wholly owned subsidiaries of LTH.

11.2. The cancellation of equity share capital held by the respective shareholders of the Transferor Company 1 and Transferor Company 2 as per Clause 11.1 above shall be effected as an integral part of the Scheme, without having to follow a separate process in terms of Section 66 of the Companies Act on account of the Explanation to Section 230(12) of the Companies Act. The approval of the shareholders of the Transferor Company 1 and Transferor Company 2 to the Scheme shall be deemed to be their approval for purposes of effecting the reduction under Sections 230 to 232 of the Companies Act.

12. ACCOUNTING TREATMENT

In the books of LTH

Upon this Scheme becoming effective, LTH shall account for the amalgamation of the Transferor Company 1 and Transferor Company 2 in the books of account in accordance with the applicable accounting standards prescribed under Section 133 of the Companies Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and specifically under 'Pooling of Interest Method' of accounting as laid down in Appendix C of Ind-AS 103 (Business Combinations of entities under common control) as under:

- (a) LTH shall record all the assets and liabilities of the Transferor Company 1 and Transferor Company 2, vested in it pursuant to the Scheme, at the carrying amount as considered in the consolidated financial statements of LTH;
- (b) The balance of the retained earnings of the Transferor Company 1 and Transferor Company 2 as considered in the consolidated financial statements of LTH is aggregated with the corresponding balance appearing in the financial statements of LTH;

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- (c) The identity of the reserves shall be preserved and LTH shall record the reserves of the Transferor Company 1 and Transferor Company 2 in the same form and at the carrying amounts as considered in the consolidated financial statements of LTH;
- (d) The carrying amount of investments in the equity shares of the Transferor Company 1 and Transferor Company 2 held by LTH, shall stand cancelled and there shall be no further obligation in that behalf;
- (e) Upon the scheme coming into effect, the surplus/deficit, if any of the net value of assets, liabilities and reserves of the Transferor Company 1 and Transferor Company 2 acquired and recorded by LTH over the value of investments cancelled shall be adjusted in "Capital Reserve Account" in the financial statements of LTH;
- (f) Inter-Company transactions and balances including loans, advances, receivable or payable inter se between the Transferor Company 1 or Transferor Company 2 and LTH as appearing in their books of account, if any, shall stand cancelled;
- (g) Comparative financial information in the financial statements of LTH shall be restated for the accounting impact of merger, as stated above, as if the merger had occurred from the beginning of the comparative period.

13. DISSOLUTION OF TRANSFEROR COMPANY 1 AND TRANSFEROR COMPANY 2

- 13.1. On the Scheme becoming effective, Transferor Company 1 and Transferor Company 2 shall stand dissolved without winding up and the Board of Directors and any committees thereof of Transferor Company 1 and Transferor Company 2 shall without any further act, instrument or deed be and stand discharged. Pursuant to the Scheme coming into effect, all shares of Transferor Company 1 and Transferor Company 2 shall stand cancelled and the company status of the Transferor Company 1 and Transferor Company 2 appearing on the master data of the Ministry of Corporate Affairs shall stand changed to "amalgamated".
- 13.2. Even after the Scheme becoming effective, LTH shall be entitled to operate all bank accounts relating to the Transferor Company 1 and Transferor Company 2 and realize all monies and complete and enforce all pending contracts and transactions insofar as may be necessary until the transfer and vesting of rights and obligations of the Transferor Company 1 and Transferor Company 2 to LTH under this Scheme is formally affected by the parties concerned.

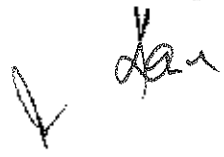
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PART-IV: AMALGAMATION OF TRANSFEROR COMPANY 3, TRANSFEROR COMPANY 4, TRANSFEROR COMPANY 5 AND TRANSFEROR COMPANY 6 WITH TRANSFEREE COMPANY

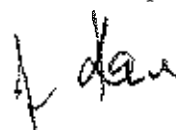
14. TRANSFER AND VESTING OF ENTIRE BUSINESS OF TRANSFEROR COMPANY 3, TRANSFEROR COMPANY 4, TRANSFEROR COMPANY 5 AND TRANSFEROR COMPANY 6 WITH THE TRANSFEREE COMPANY

- 14.1. Upon the Effective Date and with effect from the Appointed Date and pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act and in accordance with Section 2(1B) and other applicable provisions of the IT Act 1961 or with Section 2(6) of the IT Act 2025, as applicable and Applicable Laws, and subject to the provisions of this Scheme, Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 shall stand amalgamated with the Transferee Company as a going concern and the business of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 (including all Assets and Liabilities of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, including the Subsidiary Hotels) shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, so as to become, as and from the Appointed Date, the business (including Assets and Liabilities, as the case may be) of the Transferee Company, by virtue of operation of law, and in the manner provided in this Scheme.
- 14.2. All the Assets of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, which are movable in nature (including but not limited to all intangible Assets), or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred by Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 to the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date and shall, *ipso facto* and without any other order to this effect, become the Assets of the Transferee Company without requiring any deed or instrument of conveyance for transfer of the same.
- 14.3. All Assets of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, which are immovable, whether freehold or leasehold or leave and licence and any documents of title, rights and easements in relation thereto, shall stand transferred and vested in the Transferee Company, and shall become the property and an integral part of the Transferee Company, without any further act, instrument or deed. Upon the Scheme coming into effect, the Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all Taxes and charges, and fulfil all obligations, in relation to or applicable to such immovable Assets. The mutation of the ownership or title, or interest in the immovable Assets (whether freehold or leasehold) comprised in Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, in favour of the Transferee Company, shall be made and duly recorded by the Governmental Authorities pursuant to the sanction of this Scheme.
- 14.4. Notwithstanding anything contained in this Scheme, if the Board of Directors of the Transferee Company so decides, the concerned parties shall execute and register or cause to be done, separate deeds of conveyance or deed of assignment of lease in respect of any immovable Assets of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, whether owned or leased, whether executed before or after the Effective Date, in the favour of the Transferee Company, for the purpose of inter alia, payment of stamp duty, and vesting with the Transferee Company.





- 14.5. With respect to the Assets of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 other than those referred to in Clause 14.2 and 14.3 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, Claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Governmental Authority, customers and other persons, whether or not the same is held in the name of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, the same shall, without any further act, instrument or deed, be transferred to and/or be deemed to be transferred to the Transferee Company, with effect from the Appointed Date by operation of law as transmission in favour of the Transferee Company. With regard to the licenses/ leases of the properties, the Transferee Company will be entitled to enter into novation agreements, if it is so required.
- 14.6. In respect of any Assets owned by Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 as on the Effective Date, other than those mentioned in the foregoing clauses, including all documents, deeds, agreements, mortgages, pledges, guarantees, actionable claims, contingent Assets, sundry debtors, outstanding loans, advances, whether recoverable in cash or kind or for value to be received and deposits (including deposits for leases, utilities, suppliers/vendors/contractors), if any with the local and other authorities, bodies corporate, customers etc., Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 shall, if so required by the Transferee Company, and the Transferee Company may, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the NCLT having sanctioned this Scheme, the relevant debt, loan, advance or other Asset, be paid or made good or held on account of the Transferee Company, as the person entitled thereto, to the end and intent that the right of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 to recover or realize the same stands transferred to the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 14.7. All the brands and trademarks owned by Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 including registered and unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights trademarks and all such other industrial and intellectual property rights of whatsoever nature shall stand transferred to the Transferee Company by operation of law. The Transferee Company shall take such actions as may be necessary and permissible to get the same transferred and/ or registered in the name of the Transferee Company.
- 14.8. With effect from the Appointed Date, all Liabilities of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 disclosed by the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 and all Liabilities which may accrue or arise after the Appointed Date but which relates to the period on or upto the Appointed Date shall, pursuant to the order of NCLT or such other competent authority as may be applicable under Section 232 and other applicable provisions of the Companies Act, without any further act or deed, be transferred or deemed to have been transferred to and vested in and assumed by the Transferee Company, so as to become as on the Appointed Date, the Liabilities of the Transferee Company which undertakes to meet, discharge and satisfy the same and it shall not be necessary to obtain the Consent of any third party or other person who is a party to any contracts or

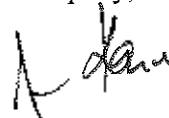


arrangements by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause 14.8.

- 14.9. Where any of the Liabilities of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 as on the Appointed Date, deemed to be transferred to the Transferee Company have been discharged by Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, as the case may be, after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company, and all loans raised and used and all Liabilities incurred by Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing shall stand transferred to the Transferee Company and shall become the Liabilities of the Transferee Company which undertakes to meet, discharge and satisfy the same and it shall not be necessary to obtain the Consent of any third party or other person who is a party to any contracts or arrangements by virtue of which such loans and Liabilities have arisen in order to give effect to the provisions of this Clause 14.9.
- 14.10. Unless otherwise agreed between Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 and the Transferee Company, the transfer of all the Assets of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the Assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant Assets of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 or part thereof on or over which they are subsisting on and no such Encumbrances shall extend over or apply to any other Asset(s) of the Transferee Company. Any reference in any security documents or arrangements, if any, (to which Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 is a party) related to any Assets of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other Asset(s) of the Transferee Company. Similarly, the Transferee Company shall not be required to create any additional security over Assets transferred under this Scheme for any loans, debentures, deposits or other financial assistance already availed of / to be availed of by it, and the Encumbrances in respect of such indebtedness of the Transferee Company shall not extend or be deemed to extend or apply to the Assets so transferred. The absence of any formal amendment or approval which may be required by a lender or a third party shall not affect the operation of the above.
- 14.11. On and from the Effective Date and till such time that the name(s) of the bank accounts of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 in the name of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company.



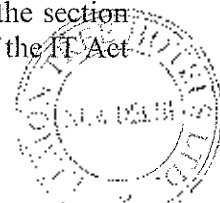
- 14.12. Without prejudice to the provisions of the foregoing sub-clauses of this Clause 14 and upon the effectiveness of this Scheme, Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 and the Transferee Company may execute any and all instruments or documents and do all the acts, deeds and things as may be required, including filing of necessary particulars and/ or modification(s) of charge, necessary applications, notices, intimations or letters with any Governmental Authority or person to give effect to the Scheme.
- 14.13. Benefits of any and all corporate approvals as may have already been taken by Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, whether being in the nature of compliances or otherwise under Applicable Laws, shall automatically be to the benefit of the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Transferee Company.
- 14.14. With effect from the Appointed Date, all the Consents held or availed of by, and all rights and benefits that have accrued to, Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, pursuant to the provisions of Section 232 of the Companies Act and under Applicable Laws, shall without any further act, instrument or deed, be transferred to, or be deemed to have been transferred to, and be available to, the Transferee Company so as to become as and from the Appointed Date, the Consents, estates, Assets, rights, title, interests and authorities of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible under Applicable Laws to ensure continuation of operations of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 in the Transferee Company without any hindrance and the Consents shall be appropriately mutated by the Governmental Authorities concerned therewith in favour of the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee 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 Transferee Company.
- 14.15. All contracts, deeds, bonds, agreements, indemnities, guarantees, insurance policies or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, rights, entitlements and Consents for the purpose of carrying on the business of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, or to the benefit of which Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 may be eligible and which are subsisting or having effect immediately before this Scheme coming into effect, shall by endorsement, by delivery or recordal or by operation of law pursuant to the order of the NCLT sanctioning the Scheme, and on this Scheme becoming effective be deemed to be contracts, deeds, bonds, agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, rights, entitlements and Consents of the Transferee Company. Such properties and rights described hereinabove shall stand transferred to the Transferee Company and shall be deemed to be the property and become the property by operation of law as an integral part of the Transferee Company. Such contracts and properties described above shall continue to be in full force and continue as effective as hitherto in favour of or against the Transferee Company and shall be the legal and enforceable rights and interests of the Transferee Company, which can be enforced and



acted upon as fully and effectually as if it were Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6. Upon the effectiveness of the Scheme, the rights, benefits, privileges, Liabilities incurred and moneys borrowed, obligations and interest whatsoever, arising from or pertaining to contracts and properties relating to Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, shall be deemed to have been entered into and stand assigned, transferred and novated to the Transferee Company by operation of law and the Transferee Company shall be deemed to be Transferor Company 3's, Transferor Company 4's, Transferor Company 5's and Transferor Company 6's substituted party or beneficiary or obligor thereto, it being always understood that the Transferee Company shall be the successor in the interest of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 in relation to the properties or rights mentioned hereinabove. In relation to the same, any procedural requirements required to be fulfilled solely by Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 (and not by any of its successors), shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6.

- 14.16. Without prejudice to the other provisions of this Scheme, the Transferee Company may, at any time after the effectiveness of the Scheme, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings, arrangements with any party to any contracts or arrangement to which Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 is a party or any writings as may be necessary in order to give effect to the provisions of this Scheme. With effect from the Appointed Date, the Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 and to carry out or perform all such formalities or compliances referred to above, on the part of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6.
- 14.17. On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to enforce all pending contracts and transactions and issue credit notes on behalf of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 to the Transferee Company under this Scheme have been given effect to under such contracts and transactions.
- 14.18. All unutilised Tax credits (including balances or advances), benefits, subsidies, grants, special status and other benefits or privileges of whatsoever nature under laws pertaining to Taxes, including income-tax, wealth tax, sales tax / value added tax, service tax, central goods and service tax, integrated goods and service tax, State goods and service tax, Union Territory goods and service tax, goods and service tax, compensation cess, excise duty, customs duty or any other levy of similar nature, which Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 is eligible and entitled to, shall be transferred and available to the Transferee Company as an integral part of the Scheme.
- 14.19. This Scheme has been drawn up to comply with the conditions relating to 'Amalgamation' as specified under Section 2(1B) of the IT Act 1961. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the section 2(1B) and other applicable provisions of the IT Act 1961 or with Section 2(6) of the IT Act

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2025, as applicable, at a later date including resulting from an amendment of Applicable Law or for any other reason whatsoever, the provisions of the said section of the IT Act 1961 or IT Act 2025, as applicable, shall prevail. The Scheme shall then be mutually agreed to be modified to the extent determined necessary to comply with Section 2(1B) of the IT Act 1961 or with Section 2(6) of the IT Act 2025, as applicable. Such modifications will however not affect the other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Transferee Company and the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 and, which power shall be exercised reasonably in the best interests of the companies concerned and their stakeholders.

- 14.20. Upon this Scheme becoming effective, the Subsidiary Hotels shall continue to be managed and operated by LTH for and on behalf of the Transferee Company as per the provisions of the SH Management Agreements (*defined hereinafter*). To give effect to the same, and as an integral part of the Scheme, LTH and the Transferee Company shall enter into hotel operating agreements in respect of each of the Subsidiary Hotels (collectively, the “**SH Management Agreements**”), on such terms as may be mutually agreed between them, the key commercial terms of which are set out in **Schedule 3**. LTH shall operate, manage and provide services for such Subsidiary Hotels pursuant to the terms of the SH Management Agreements. The base management fees, incentive fees and any other commercial entitlements payable to LTH under the SH Management Agreements shall, notwithstanding the date on which the SH Management Agreements are executed, accrue to and be due and payable to LTH with effect from the Appointed Date. The approval and sanction of this Scheme by the shareholders and creditors of LTH and the Transferee Company, and by the relevant regulatory and judicial authorities, shall be deemed to constitute sufficient authority and approval for LTH and the Transferee Company to enter into, execute and perform the SH Management Agreements, and no further or separate Consent or resolution under Regulation 23 of the LODR Regulations, or under Sections 177, 188 or any other applicable provisions of the Companies Act or any other Applicable Law, shall be required for the execution, delivery or performance of the SH Management Agreements.

15. EMPLOYEES

- 15.1 Without prejudice to the foregoing, upon the effectiveness of this Scheme and with effect from the Effective Date, the Transferee Company undertakes to engage, without any interruption in service, all employees of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 on terms and conditions no less favourable than those on which they are engaged by Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 as on the Effective Date. The Transferee Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 with any of the aforesaid employees. The Transferee Company agrees that the services of all such employees with Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 prior to the transfer shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral / terminal benefits.
- 15.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund or any equivalent funds established under Applicable Laws by whatever name called, of which they are beneficiaries, will be transferred respectively to such provident fund, gratuity fund and

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superannuation funds or any equivalent funds established under Applicable Laws by whatever name called nominated by the Transferee Company and/ or such new provident fund, gratuity fund and superannuation fund or any equivalent funds established under Applicable Laws by whatever name called to be established in accordance with Applicable Law and caused to be recognized by the Governmental Authorities, by the Transferee Company.

16. PROCEEDINGS CONCERNING TRANSFEROR COMPANY 3, TRANSFEROR COMPANY 4, TRANSFEROR COMPANY 5 AND TRANSFEROR COMPANY 6

Without prejudice to the foregoing, if any suit, cause of action, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatever nature including proceedings under Tax laws ("Amalgamation 2 Proceedings") by or against Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 is pending on the Effective Date, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the amalgamation or this Scheme, but the Amalgamation 2 Proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 as if this Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate or defend any legal proceeding for and on behalf of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6. In this regard, upon the effectiveness of the Scheme, the Transferee Company will undertake appropriate actions and/or proceedings under law for substituting itself in place of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 (as may be applicable) in all pending proceedings involving Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, respectively.

17. TAXES/ DUTIES/ CESS

Without prejudice to the foregoing, upon the effectiveness of the Scheme and with effect from the Appointed Date, by operation of law pursuant to the order of the NCLT:

- (a) All Taxes (including but not limited to disputed tax demands, advance tax, tax deducted at source, tax collected at source, goods and services tax, input tax credit, minimum alternate tax credits, securities transaction tax, value added tax, sales tax, service tax or any taxes of similar nature etc. withheld/paid in any jurisdiction (including India)) payable by or refundable to Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, including all or any refunds or disputed Tax demands, if confirmed, or Claims, shall be treated as the Tax Liability or refunds/Claims, as the case may be, of the Transferee Company, and any incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, subsidies, grants, special status, other benefits, as would have been available to Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, shall be available to the Transferee Company. If Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 are entitled to any unutilized credits, benefits under the state or central fiscal / investment incentive schemes and policies or concessions under any Tax law or Applicable Law, the Transferee 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. Without prejudice to the generality of the foregoing, in respect of unutilized input credits under Applicable

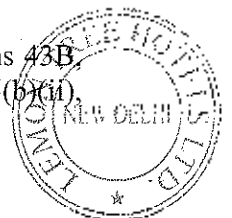
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Laws of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 (including but not limited to input tax credit under goods and services tax laws), the same shall be transferred to the Transferee Company in accordance with the Applicable Law.

- (b) Taxes of whatsoever nature including advance tax, self-assessment tax, regular assessment taxes, tax deducted at source, dividend distribution tax, minimum alternate tax, tax on buy back, goods and services tax, customs duties, if any, paid by Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 shall be treated as paid by the Transferee Company and it shall be entitled to claim the credit, refund, adjustment for the same as may be applicable.
- (c) Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, unabsorbed Tax depreciation and accumulated losses, if any, of the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 as on the Appointed Date, shall, for all purposes, be treated as unabsorbed Tax depreciation and accumulated losses of the Transferee Company. It is further clarified that any unabsorbed depreciation of the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 as specified in their respective books of accounts shall be included as unabsorbed depreciation of the Transferee Company for the purposes of computation of minimum alternate tax.
- (d) If Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 are entitled to any benefits under incentive schemes and policies under Tax laws, all such benefits under all such incentive schemes and policies shall be and stand applicable to the benefit of the Transferee Company.
- (e) Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 and the Transferee Company are expressly permitted to revise and file their respective income tax returns and other statutory returns, including tax deducted / collected at source returns, equalisation levy return, service tax returns, sales tax / value added tax / goods and service tax returns, as may be applicable and have expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, input credits including input tax credit under goods and services tax laws, sales tax, service tax, value added tax, etc., credit of foreign taxes paid/withheld, etc. if any, as may be required for the purposes of/consequent to implementation of the Scheme.
- (f) It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, shall, if so required by the Transferee Company, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the NCLT having sanctioned this Scheme under Sections 230 to 232 of the Companies Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company, as the person entitled thereto, to the end and intent that the right of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, to recover or realise the same, stands transferred to the Transferee Company.
- (g) The Transferee Company shall be entitled to claim deduction under Sections 43B, 40A(7), 40(a)(i) and 40(a)(ia) of the IT Act 1961 or Sections 37, 35(b)(i), 35(b)(ii),

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29(1)(d) and 29(2) of the IT Act 2025 in respect of unpaid Liabilities transferred to it upon Amalgamation 2 to the extent not claimed by the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, as and when the same are paid by the Transferee Company subsequent to the Appointed Date.

- (i) In case of any carry forward losses and unabsorbed depreciation in Transferor Company 3, Transferor Company 4, Transferor Company 5 or Transferor Company 6, the same shall be accounted for in accordance with Section 72A of the IT Act 1961.

18. SAVING OF CONCLUDED TRANSACTIONS OF TRANSFEROR COMPANY 3, TRANSFEROR COMPANY 4, TRANSFEROR COMPANY 5 AND TRANSFEROR COMPANY 6

The transfer of the Assets and Liabilities of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 under Clause 14 above, the effectiveness of contracts and deeds under Clause 14.15, Clause 14.16 and Clause 14.17 above and the continuance of proceedings under Clause 16 above, shall not affect any transactions or proceedings already concluded by Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 in respect thereto, as if done and executed on its behalf.

19. VALIDITY OF EXISTING CORPORATE AUTHORISATIONS, ETC. OF TRANSFEROR COMPANY 3, TRANSFEROR COMPANY 4, TRANSFEROR COMPANY 5 AND TRANSFEROR COMPANY 6

Upon this Scheme coming into effect, the resolutions/ power of attorneys executed by Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, as are considered necessary by the Board of the Transferee Company, and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed/ executed by the Transferee Company, and if any such resolutions have any monetary limits approved under the provisions of the Applicable Law, then such limits as are considered necessary by the Board of the Transferee Company shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the new aggregate limits for each of the subject matters covered under such resolutions/power of attorneys for the purpose of the Transferee Company.

20. CONSIDERATION

- 20.1 Upon the Scheme becoming effective and in consideration of the amalgamation of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 with the Transferee Company, the Transferee Company shall, without further application or deed, issue and allot equity shares credited as fully paid-up, to the members of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, holding fully paid up equity shares and whose names appear in the register of members, including register and index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6, on the Record Date of 10

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such of their respective heirs, executors, administrators or other legal representative or other successors in title as on the Record Date, in each case, in the following manner:

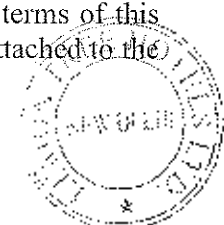
- (a) *10,000 (Ten Thousand) fully paid-up equity shares of the Transferee Company of INR 10 (Indian Rupees Ten) each for every 49,872 (Forty-Nine Thousand Eight Hundred Seventy-Two) equity shares of the Transferor Company 3, of INR 10 (Indian Rupees Ten) each ("Share Entitlement Ratio 1");*
- (b) *10,000 (Ten Thousand) fully paid-up equity shares of the Transferee Company of INR 10 (Indian Rupees Ten) each for every 29,87,754 (Twenty-Nine Lakhs Eighty-Seven Thousand Seven Hundred Fifty-Four) equity shares of the Transferor Company 4, of INR 1 (Indian Rupee One) each ("Share Entitlement Ratio 2");*
- (c) *10,000 (Ten Thousand) fully paid-up equity shares of the Transferee Company of INR 10 (Indian Rupees Ten) each for every 53,118 (Fifty-Three Thousand One Hundred Eighteen) equity shares of the Transferor Company 5 of INR 10 (Indian Rupees Ten) each ("Share Entitlement Ratio 3"); and*
- (d) *10,000 (Ten Thousand) fully paid-up equity shares of the Transferee Company of INR 10 (Indian Rupees Ten) each for every 1,01,077 (One Lakh One Thousand Seventy-Seven) equity shares of the Transferor Company 6, of INR 10 (Indian Rupees Ten) each ("Share Entitlement Ratio 4").*

20.2 If any member of the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 becomes entitled to a fractional equity share to be issued by the Transferee Company pursuant to Clause 20.1, the Transferee Company shall not issue such fractional equity share to such eligible member, but the Board of the Transferee Company shall, in compliance with Applicable Law, consolidate all such fractional entitlements of all eligible members and the Board of the Transferee Company shall, without any further act, instrument or deed, issue and allot such equity shares that represent the consolidated fractional entitlements to a trustee nominated by the Board of the Transferee Company and such trustee shall hold such equity shares, with all additions or accretions thereto, in trust for the benefit of eligible members who are entitled to the fractional entitlements (and their respective heirs, executors, administrators or successors) for the specific purpose of selling such equity shares so allotted on the Stock Exchanges at such time or times and at such price(s) and to such other person, as such person/trustee deems fit within 90 (ninety) days from the date of allotment or such other period as per the Applicable Law, and on such sale, distribute to the eligible members in proportion to their respective fractional entitlements, the net sale proceeds of such equity shares (after deduction of applicable Taxes and costs incurred and subject to withholding Tax, if any). It is clarified that any such distribution shall take place only after the sale of all the equity shares of the Transferee Company that were issued and allotted to the trustee pursuant to this clause.

20.3 The equity shares to be issued to the shareholders of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 in the Transferee Company pursuant to Clause 20.1 and Clause 20.2 above shall be subject to the memorandum and articles of association of the Transferee Company and in compliance with the Applicable Laws.

20.4 The equity shares to be issued and allotted by the Transferee Company in terms of this Scheme shall rank pari passu in all respects and shall have the same rights attached to the then existing equity shares of the Transferee Company.

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- 20.5 The equity shares to be allotted as per Clauses 20.1 and 20.2 above shall be issued in dematerialized form in accordance with the Applicable Law.
- 20.6 The issue and allotment of the equity shares by the Transferee Company, as provided in this Scheme, is an integral part of the Scheme, and shall be deemed to have been carried out without any further act or deed by the Transferee Company as if the procedure laid down under Sections 42 and 62 of the Companies Act or the ICDR Regulations or the LODR Regulations and any other applicable provisions of the Companies Act were duly complied with.
- 20.7 For the avoidance of doubt, it is hereby clarified that the Proposed Preferential Issue by the Transferee Company shall not impact, alter or otherwise change the Share Entitlement Ratio 1, Share Entitlement Ratio 2, Share Entitlement Ratio 3 and Share Entitlement Ratio 4 at Clause 20.1 above.

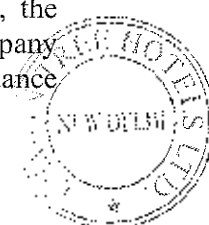
21. LISTING OF EQUITY SHARES OF THE TRANSFEREE COMPANY

- 21.1. All equity shares of the Transferee Company, including the shares issued pursuant to this Part IV of the Scheme shall, subject to the execution of the listing agreements with the Stock Exchanges and payment of the appropriate fees, be listed on the Stock Exchanges, which have nation-wide trading terminals in India, and admitted to trading. The Transferee Company shall apply to the Stock Exchanges (where the shares of LTH are listed) and SEBI for listing and admission to trading of all the equity shares of the Transferee Company issued pursuant to Clause 20. The Transferee Company shall enter into such arrangements, complete such formalities and give undertakings, if any, to the Stock Exchanges, including for seeking exemption under Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 as may be necessary in accordance with Applicable Laws for listing of equity shares of the Transferee Company.
- 21.2. Subject to any dispensation granted by the SEBI and the Stock Exchanges, the shares allotted pursuant to Clause 20 of the Scheme shall remain frozen in the depositories system until permission for listing/trading is granted by the Stock Exchanges.
- 21.3. Until such time as the equity shares of the Transferee Company are listed on the Stock Exchanges, except as provided in the Scheme, there shall be no change in the shareholding pattern or control of or pre-arrangement capital structure of the Transferee Company between the Record Date and the listing which may affect the status of approvals received from the Stock Exchanges, other than as provided in the Scheme.
- 21.4. In terms of the SEBI Circular, the Transferee Company undertakes that if, upon listing of its equity shares pursuant to the Scheme, the public shareholding of the Transferee Company is less than 25% (twenty-five percent), it shall increase its public shareholding to at least 25% (twenty-five percent) within a period of one (1) year from the date of listing of its equity shares in the manner prescribed under Applicable Law.

22. ACCOUNTING TREATMENT

In the books of Transferee Company

Pursuant to the Scheme coming into effect, with effect from the Effective Date, the Transferee Company shall account for the merger/amalgamation of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 in accordance



with Ind AS notified under Section 133 of the Companies Act, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, in its books of accounts such that:

- (a) The Transferee Company shall record all the identifiable Assets and Liabilities of each of the Transferor Company, vested in it pursuant to the Scheme at their respective fair values, as determined in accordance with Ind AS.
- (b) The Transferee Company shall credit to its equity share capital, the aggregate of the face value of equity shares issued and allotted by it pursuant to the Scheme and excess, if any, of the fair value of the equity shares issued over the face value of the equity shares issued shall be classified as securities premium under the head "Other Equity".
- (c) The difference between the fair value of new equity shares issued and the excess of the fair value of Assets acquired over the fair value of Liabilities assumed, shall be recorded as goodwill / capital reserve, as the case may be.
- (d) Any matter not dealt with in clauses hereinabove shall be dealt with in accordance with the Ind AS applicable to the Transferee Company.

In the books of LTH

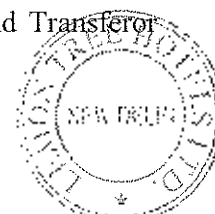
Pursuant to the Scheme coming into effect, with effect from the Effective date, LTH shall account for the merger/ amalgamation of the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 ("each of the Transferor Company") with Transferee Company in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, in its books of accounts such that:

- (a) The carrying value of investments in each of the above Transferor Company shall be derecognised.
- (b) Investment in equity shares of Transferee company received as consideration shall be recognised at its fair value.
- (c) Difference, if any, between the value of investments in each of the Transferor company derecognised, and the value of investment in equity shares of Transferee Company recognised, shall be recognised in the Statement of Profit and Loss.

23. DISSOLUTION OF TRANSFEROR COMPANY 3, TRANSFEROR COMPANY 4, TRANSFEROR COMPANY 5 AND TRANSFEROR COMPANY 6

- 23.1. On the Scheme becoming effective, Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 shall stand dissolved without winding up and the Board of Directors and any committees thereof of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 shall without any further act, instrument or deed be and stand discharged. Pursuant to the Scheme coming into effect, the shares of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 shall stand cancelled and the company status of the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor

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Company 6 appearing on the master data of the Ministry of Corporate Affairs shall stand changed to “amalgamated”.

- 23.2. Even after the Scheme becoming effective, the Transferee Company shall be entitled to operate all bank accounts relating to the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 and realize all monies and complete and enforce all pending contracts and transactions insofar as may be necessary until the transfer and vesting of rights and obligations of the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 to the Transferee Company under this scheme is formally affected by the parties concerned.

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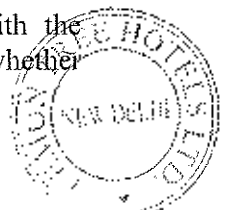


PART V: DEMERGER OF THE DEMERGED UNDERTAKING

24. TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING FROM LTH TO THE TRANSFEREE COMPANY

- 24.1. Upon the Effective Date, all Demerged Assets and Demerged Liabilities and the entire Demerged Undertaking of LTH shall stand demerged and vested in the Transferee Company, as a going concern, without any further act or deed subject to the provisions of this Scheme, in accordance with Section 2(19AA) and other applicable provisions of the IT Act 1961 or IT Act 2025, as applicable, and pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, and pursuant to the Sanction Order and Applicable Law and related provisions contained in various other Taxation laws on the Effective Date including without limitation in relation to goods and services Tax, customs duty, or excise duty. In addition, for the avoidance of doubt, the Residual Undertaking and all the Assets and Liabilities pertaining thereto shall continue to belong to and be vested in and be managed by LTH.
- 24.2. 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) All Demerged Assets, which are movable in nature or are incorporeal or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery, or by vesting and recordal, pursuant to this Scheme, shall stand transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company wherever located and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, and without requiring any deed or instrument of conveyance for transfer and vesting of the same, pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly;
 - (b) All other Demerged Assets which are movable, other than those dealt with in Clause 24.2(a) above, including but not limited to Tax refunds with the government as applicable, investments in shares and any other securities, sundry debtors, future receivables, outstanding loans and advances, bills, credits, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Transferee Company and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. It is hereby clarified that investments, if any, made by LTH and pertaining to the Demerged Undertaking and all the rights, title and interests of LTH pertaining to the Demerged Undertaking in any leasehold properties shall, pursuant to Section 232 of the Companies Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in and/or be deemed to have been transferred to and vested in the Transferee Company and/or be deemed to be demerged from LTH and transferred to and vested in the Transferee Company on the Effective Date pursuant to the provisions of Section 232 of the Companies Act;
 - (c) All Demerged Assets which are immovable, including land together with the buildings and structures standing thereon and rights and interests therein, whether

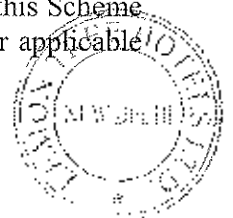
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freehold or leasehold or licensed properties (including but not limited to capital works in progress, right-of-use assets for leased properties, land, buildings, and any other rights, titles, interests, rights of way and easements in relation thereto) and all documents of title, rights and easements in relation thereto shall be vested in and/or be deemed to be vested in the Transferee Company, without any further act or deed done or being required to be done by LTH and/or the Transferee Company. All lease or licence or rent agreements forming part of the Demerged Undertaking, entered into by LTH with various landlords, owners, and lessors in connection with the use of the Demerged Assets, shall stand automatically vested in favour of the Transferee Company on the same terms and conditions, subject to Applicable Law, without any further act, instrument or deed. The Transferee Company shall continue to pay rent amounts as provided for in such agreements and shall comply with the other terms, conditions and covenants thereunder and shall also be entitled to refund of security deposits paid under such agreements by LTH. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties, if any, and shall be liable to pay the ground rent and Taxes, if applicable, and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties, if any, shall be made and duly recorded in the name of the Transferee Company by the Governmental Authorities pursuant to the Sanction Order, in accordance with the terms hereof. Notwithstanding such transfer/ vesting of the immovable properties, if any application is required by the Government Authorities to implement the transfer and vesting of the immovable properties, as provided hereinabove, LTH and the Transferee Company shall be entitled to file such applications/deeds with the Government Authorities, which shall be granted/ approved by the Government Authorities in favour of the Transferee Company pursuant to the Sanction Order.

- (d) All the security interest over any moveable and/or immovable properties and security in any other form (both present and future) including but not limited to any pledges, or guarantees, if any, created/executed by any person in favour of LTH for the purposes of the Demerged Undertaking or any other person acting on behalf of or for the benefit of LTH pertaining to the Demerged Undertaking for securing the obligations of the persons to whom LTH has advanced loans and granted other funded and non-funded financial assistance, pertaining to the Demerged Undertaking by way of letter of comfort or through other similar instruments shall pursuant to the provisions of Section 232 of the Companies Act and without any further act, instrument or deed stand vested in and be deemed to be in favour of the Transferee Company and the benefit of such security shall be available to the Transferee Company as if such security was ab initio created in favour of the Transferee Company. The mutation or substitution of the charge in relation to the movable and immovable properties of LTH pertaining to the Demerged Undertaking shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the Governmental Authorities and third parties (including any depository participants) pursuant to the sanction of this Scheme by the NCLT and upon the Scheme becoming effective in accordance with the terms hereof. It is clarified that the Transferee Company shall be entitled to engage in such correspondence and make such representations, as may be necessary for the purposes of the aforesaid mutation and/or substitution.
- (e) All estates, Assets, rights, title, interests and authorities accrued to and/or acquired by the Demerged Undertaking shall be deemed to have been accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon this Scheme coming into effect, pursuant to the provisions of Section 232 and other applicable

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provisions of the Companies Act, without any further act, instrument or deed, be and stand transferred to or vested in and/or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the estates, Assets, rights, title, interests and authorities of the Transferee Company;

- (f) All Demerged Liabilities shall be deemed to be the Liabilities of the Transferee Company and the Transferee Company shall, and undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. 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 contracts or arrangement by virtue of which such Demerged Liabilities have arisen in order to give effect to the provisions of this Clause;
- (g) All registrations, goodwill, licences, trademarks, service marks, copyrights, design rights, domain names, applications for any of the foregoing, trade names and all other intellectual property of LTH that exclusively forms part of, is used exclusively in, or relates exclusively to the Demerged Undertaking, whether registered or unregistered, together with all rights of commercial nature including attached goodwill, title, interest and all other rights and interests relating thereto, shall, upon this Scheme becoming effective, stand transferred to and vest in the Transferee Company, without any further act, deed or instrument, and shall thereafter be the absolute property of the Transferee Company. For the avoidance of doubt, it is hereby clarified that all corporate-level, group-level or brand-level intellectual property of LTH, including without limitation all Lemon Tree trademarks, service marks, trade names, logos, brand systems, service standards, proprietary software, reservation systems, loyalty programmes, digital assets, and all associated goodwill and any registrations or applications therefor, shall be and shall remain the exclusive property of LTH, and no part thereof shall form part of the Demerged Undertaking or stand transferred to the Transferee Company pursuant to this Scheme. The Transferee Company shall have only such rights of use (if any) as may be expressly granted under the hotel management and operations agreements or any other contractual arrangements between LTH and the Transferee Company;
- (h) All contracts, deeds, agreements, indemnities, guarantees, insurance policies, or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, rights, entitlements, Consents, including Development Capabilities, for the purpose of carrying on the business of LTH exclusively pertaining to the Demerged Undertaking and in relation thereto and those relating to tenancies, privileges, powers, pledge, facilities of every kind and description of whatsoever nature in relation to LTH pertaining to the Demerged Undertaking, or to the benefit of which, the Demerged Undertaking may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be and remain in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of LTH and pertaining to the Demerged Undertaking, the Transferee Company had been a party or beneficiary or obligor thereto. In relation to the same, any procedural requirements required to be fulfilled solely by LTH (and not by any of its successors), shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of LTH;
- (i) All cheques and other negotiable instruments, payment orders received and presented for encashment which are in the name of LTH and pertaining to the Demerged Undertaking after the Effective Date, shall be accepted by LTH and promptly transferred to the accounts of the Transferee Company;

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- (j) All Consents (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith) of every kind and description whatsoever held by LTH in relation to the Demerged Undertaking, or to the benefit of which the Demerged Undertaking may be eligible/entitled and which are subsisting or having effect immediately before the Effective Date shall be in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Demerged Undertaking, the Transferee Company had been a party or beneficiary or obligor thereto. It is hereby clarified that if the Consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the NCLT and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

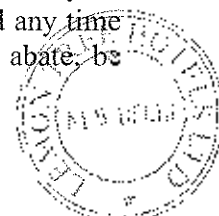
24.3. EMPLOYEES

- (a) Upon the effectiveness of the Scheme, all Demerged Employees of LTH pertaining to the Demerged Undertaking who are on its payrolls as on the Effective Date shall become the employees of the Transferee Company without any break or interruption in their services on no less favourable terms (including employee benefits such as provident fund, leave encashment and any other retiral benefits) as applicable to such employees with LTH and in accordance with Applicable Law. The Transferee Company further agrees that for the purpose of payment of any retirement benefit/compensation, incentive contractual and statutory benefit, incentive plans, terminal benefits, such immediate uninterrupted past services with LTH, shall also be taken into account and shall be reckoned from the date of their appointment with LTH. In order to give effect to this provision and to carry out or perform all formalities or compliances, LTH and/or the Transferee Company, as the case may be, shall do all such acts and deeds as may be necessary, or execute such contracts, agreements, deeds or other instruments or obtain necessary Consents.
- (b) The accumulated balances, if any, standing to the credit of the Demerged Employees in the existing provident fund, gratuity fund and superannuation fund or any equivalent funds established under Applicable Laws by whatever name called, of which they are beneficiaries, will be transferred respectively to such provident fund, gratuity fund and superannuation funds or any equivalent funds established under Applicable Laws by whatever name called and nominated by the Transferee Company and/ or such new provident fund, gratuity fund and superannuation fund or any equivalent funds established under Applicable Laws by whatever name called to be established in accordance with Applicable Law and caused to be recognized by the Governmental Authorities, by the Transferee Company.

24.4. PROCEEDINGS

Upon the effectiveness of the Scheme, any pending suits/appeals, all legal, taxation (other than those pertaining to the IT Act 1961 or the IT Act 2025) or other proceedings including before any statutory or quasi-judicial authority or tribunal or other proceedings of whatsoever nature relating or pertaining to the Demerged Undertaking, whether by or against LTH, whether pending on the Effective Date or which may be instituted any time in the future and in each case relating to the Demerged Undertaking shall not abate, be

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discontinued or in any way prejudicially affected by reason of the demerger of the Demerged Undertaking or of anything contained in this Scheme, but the proceedings shall to the extent permitted by Applicable Law, continue and any prosecution shall be enforced by or against the Transferee Company after the Effective Date. The Transferee Company shall, after the Effective Date, be replaced as party to such proceedings and shall prosecute or defend such proceedings in co-operation with LTH in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against LTH, as if this Scheme had not been implemented.

24.5. TAX/DUTIES/CESS

- (a) Upon the Scheme becoming effective, and with effect from the Appointed Date, by operation of law in so far as various incentives, subsidies, exemptions, remissions, reductions, export benefits, all indirect tax related benefits, including GST benefits, service tax benefits, customs duty exemptions/concessions, all indirect tax related assets/credits, including but not limited to goods and service tax input credits, sales tax/entry tax credits or set-off, TDS/TCS credits or set-off (to the extent remaining unutilized on the Effective Date), income tax holiday/benefit/losses/minimum alternative tax and other benefits or exemptions or privileges enjoyed (to the extent remaining unutilized on the Effective Date), granted by any Governmental Authority or by any other person, or availed of by LTH are concerned, the same shall, together with any corresponding obligations without any further act or deed, in so far as they relate to the Demerged Undertaking, vest with and be available to the Transferee Company on the same terms and conditions as were available with LTH and as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Transferee Company, to the end and intent that the right of LTH to recover or realize the same, shall become the right of the Transferee Company and/or stands vested in the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- (b) Upon the Scheme coming into effect, notwithstanding anything to the contrary contained in the provisions of this Scheme, all accumulated tax loss, unabsorbed losses and corresponding deferred tax assets, unabsorbed tax depreciation, tax benefits, tax deductions, tax concessions, minimum alternate tax credit, if any, pertaining to the Demerged Undertaking as on the Appointed Date, respectively shall be transferred to the Transferee Company in terms of provisions of the IT Act 1961 or IT Act 2025, as applicable.
- (c) Upon the Scheme becoming effective, the Transferee Company shall be entitled to claim refunds or credits, including input tax credits, with respect to Taxes paid by, for, or on behalf of, the Demerged Undertaking under Applicable Laws, whether or not arising due to any inter se transaction, even if the prescribed time limits for claiming such refunds or credits have lapsed.
- (d) Upon the Scheme becoming effective, any TDS certificates issued by LTH to, or for the benefit of, the Demerged Undertaking under the IT Act 1961 or IT Act 2025 with respect to the inter se transactions would be available to the Transferee Company to seek refund of from the Tax authorities in compliance with law. Further, TDS deposited, TDS certificates issued or TDS returns filed by LTH pertaining to the Demerged Undertaking on transactions other than inter se transactions shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued and TDS returns were filed by the Transferee Company. Any TDS deducted by or

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on behalf of, the Demerged Undertaking will be treated as advance tax deposited by the Transferee Company and shall, in all Tax proceedings, be dealt with accordingly.

- (e) The Transferee Company is also expressly permitted to claim refunds, credits, benefits, concessions, deductions, allowances including restoration of input CENVAT/ GST credit, tax deduction in respect of nullifying of any transaction between or amongst the Demerged Undertaking and the Transferee Company.
- (f) The obligation for deduction of tax at source on any payment made by or to be made by LTH pertaining to the Demerged Undertaking under the IT Act 1961, IT Act 2025, service tax laws, central sales tax, state value added tax, goods and service tax laws or other Applicable Laws and/or regulations dealing with taxes, duties or levies shall be deemed to have been made and duly complied with on behalf of the Transferee Company.
- (g) Upon the Scheme becoming effective, the Transferee Company is also expressly permitted to revise its income-tax returns, withholding tax returns, sales tax returns, excise & CENVAT returns, service tax returns, other tax returns, to obtain TDS certificates, including TDS certificates relating to transactions between or amongst the Demerged Undertaking and the Transferee Company and to claim refunds, advance tax and withholding tax credits, benefit of carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.
- (h) In accordance with the Central Goods and Services Tax Act, 2017 and other Applicable Laws as are prevalent on the Effective Date, the unutilised tax credits relating to excise duties paid on inputs/capital goods/input services lying in the accounts of LTH pertaining to the Demerged Undertaking shall be permitted to be transferred to the credit of the Transferee Company, as if all such unutilised credits were lying to the account of the Transferee Company. The Transferee Company shall accordingly be entitled to set off all such unutilised credits against the applicable output tax payable by it or claim as refund unless already claimed. Without prejudice to the generality of the foregoing, all benefits, incentives, losses, credits (including without limitation income tax, tax on book profits, wealth tax, custom duty, value added tax, goods and services tax or any other tax), to which the Demerged Undertaking of LTH is entitled to in terms of Applicable Law, shall be available to and vest in the Transferee Company.
- (i) All the expenses incurred by LTH and the Transferee Company in relation to the demerger in accordance with this Scheme (including stamp duty expenses, if any) shall be allowed as deduction to the Transferee Company in accordance with Section 35DD of the IT Act over a period of 5 (five) years beginning with the financial year in which this Scheme becomes effective. The Transferee Company shall be entitled to claim deduction under Sections 43B, section 40A(7), 40(a)(i) and 40(a)(ia) of the IT Act 1961 or Sections 37, 35(b)(i), 35(b)(ii), 29(1)(d) and 29(2) of the IT Act 2025 in respect of unpaid Liabilities transferred to it as part of the Demerged Undertaking to the extent not claimed by LTH, as and when the same are paid by the Transferee Company subsequent to the Appointed Date. Further, the Transferee Company shall not be subject to tax for any reversal of provisions which were made by LTH and offered by it for disallowance in the year in which it was created.

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24.6. MANAGEMENT OF HOTELS, DEVELOPMENT CAPABILITIES AND RELATED MATTERS

- (a) Upon this Scheme becoming effective, and with effect from the Appointed Date, the Demerged Hotel Properties, which were hitherto owned and operated by LTH as part of its integrated hotel operations shall be owned by Transferee Company (and/or its subsidiaries) and managed and operated by LTH as per the terms of the Demerged Property Management Agreements. To give effect to the same, and as an integral part of the Scheme, LTH and the Transferee Company/ its subsidiaries shall enter into hotel operating agreements in respect of each of the Demerged Hotel Properties and Aurika, Shillong (collectively, the "**Demerged Property Management Agreements**"), on such terms as may be mutually agreed between them, the key commercial terms of which are set out in **Schedule 3**. LTH shall operate, manage and provide services for such Demerged Hotel Properties pursuant to the terms of the Demerged Property Management Agreements. The management fees, brand licence fees and any other commercial entitlements payable to LTH under the Demerged Property Management Agreements shall, notwithstanding the date on which the Demerged Property Management Agreements are executed, accrue to and be due and payable to LTH with effect from the Appointed Date.
- (b) Upon this Scheme becoming effective and with effect from the Appointed Date, and as an integral part of the Scheme (i) all contracts, engagements and arrangements subsisting immediately prior to the Effective Date between LTH and the Transferee Company in respect of, or relating to, the provision or performance of any development-related services (including, without limitation, the development management agreement dated April 25, 2012) shall, by operation of law and without any further act, deed or instrument, stand terminated and be of no further force or effect, and neither party shall have any further payment obligation or Liability thereunder. To the extent agreed between LTH and the Transferee Company, the rights and obligations expressly stated in such contracts to survive termination and the rights, obligations or Liabilities which have accrued prior to the Effective Date shall survive termination; it being further clarified that for the period between the Appointed Date and the Effective Date, no development fee, service charge, reimbursement or other amount shall be deemed to have accrued or become payable by the Transferee Company to LTH under any such inter-company development-related contract and, to the extent any such amounts have been paid or accrued, the same shall, upon this Scheme becoming effective, stand reversed, unwound or adjusted through appropriate book entries so that the economic effect is consistent with the deeming provisions of Section 232(6) of the Companies Act; and (ii) all contracts, engagements and arrangements executed between LTH and any third-party owners, developers or operators for the provision or performance of development related services, and which are subsisting immediately prior to the Effective Date, shall, upon this Scheme becoming effective and by operation of law, stand transferred to, and be deemed to be the contracts, rights and obligations of, the Transferee Company, and shall continue in full force and effect in favour of or against the Transferee Company, and all rights, benefits, interests, privileges, obligations, Liabilities, claims and proceedings arising therefrom or relating thereto shall, without any further act, deed or instrument, vest in or be assumed by the Transferee Company from the Appointed Date; and any procedural or ministerial requirements required to be fulfilled by LTH (and not by any of its successors) for giving effect to such transfer shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of LTH.



- (c) In furtherance of the reorganisation contemplated under this Scheme, and in order to ensure operational continuity and alignment of the business model whereby LTH shall focus on hotel management, operations and brand-related activities and the Transferee Company (and/or its subsidiaries) shall function as the asset-holding and development platform, as an integral part of the Scheme, with effect from the Effective Date, the Existing Management Agreements shall stand amended and/or restated, on terms as may be agreed between LTH and the Transferee Company (and/or its relevant subsidiary), with the material commercial modifications to such agreements being those set out in **Schedule 4** to this Scheme.
- (d) Subject to and in accordance with any relevant agreement(s) to which LTH and the Transferee Company are parties, if LTH receives any bona fide opportunity to acquire (by purchase or long-term concession or lease) or develop any hotel, hotel project or hotel-related real estate intended to be owned (directly or through a subsidiary or special purpose vehicle), LTH shall refer such opportunity to the Transferee Company by a written notice describing the opportunity and the key commercial terms then reasonably available in the manner as agreed between LTH and the Transferee Company, and even if the Transferee Company declines, or fails to respond to such notice or does not submit a binding proposal, LTH shall not pursue such opportunity(ies.). Nothing contained herein shall prevent LTH from pursuing and enter into hotel operating arrangements / franchising arrangement in relation to an opportunity which has been declined by the Transferee Company but undertaken by a third party referred to by LTH (not being LTH, its promoters, their respective affiliates and related parties).
- (e) The approval and sanction of this Scheme by the shareholders and creditors of LTH and the Transferee Company, and by the relevant regulatory and judicial authorities, shall be deemed to constitute sufficient authority and approval for transactions and arrangements contemplated under Clause 24.6, and no further or separate Consent or resolution under Regulation 23 of the LODR Regulations, or under Sections 177, 188 or any other applicable provisions of the Companies Act or any other Applicable Law, shall be required in relation to the foregoing.

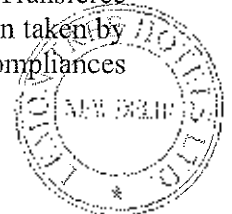
25. SAVING OF CONCLUDED TRANSACTIONS OF LTH IN RELATION TO THE DEMERGED UNDERTAKING

The transfer of the Demerged Assets and Demerged Liabilities pursuant to Part V of the Scheme, shall not affect any transactions or proceedings already concluded by LTH in relation to the Demerged Undertaking on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by LTH in respect thereto, as if done and executed on its behalf.

26. VALIDITY OF EXISTING CORPORATE AUTHORISATIONS, ETC. OF LTH IN RELATION TO THE DEMERGED UNDERTAKING

Upon the coming into effect of this Scheme, the resolutions, if any, of LTH pertaining to the Demerged Undertaking, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Companies Act, or any other applicable provisions, then such limits shall be added and shall constitute the aggregate of such limits in the Transferee Company. Benefits of any and all corporate approvals as may have already been taken by LTH in relation to the Demerged Undertaking, whether being in the nature of compliances

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or otherwise, including without limitation approvals under Sections 42, 62, 180, 185, 186, 188 etc., of the Companies Act, read with the rules and regulations made thereunder, shall stand transferred to the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Transferee Company.

27. CONSIDERATION

27.1 Upon the Scheme becoming effective and in consideration of the transfer and vesting of the Demerged Undertaking in the Transferee Company, the Transferee Company shall, without further application or deed, issue and allot equity shares credited as fully paid-up, to the members of LTH, holding fully paid up equity shares and whose names appear in the register of members, including register and index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, of LTH, on the Record Date or to such of their respective heirs, executors, administrators or other legal representative or other successors in title as on the Record Date in the following manner:

20 (Twenty) fully paid-up equity shares of the Transferee Company of INR 10 (Indian Rupees Ten) each, for every 311 (Three Hundred Eleven) equity shares of LTH, of INR 10 (Indian Rupees Ten) each ("Share Entitlement Ratio 5")

27.2. It is clarified that the existing equity shares of the Transferee Company (including the shares held by LTH in the Transferee Company) shall not be cancelled pursuant to or on effectiveness of the Scheme.

27.3. If any member of LTH becomes entitled to a fractional equity share to be issued by the Transferee Company pursuant to Clause 27.1, the Transferee Company shall not issue such fractional equity share to such eligible member, but the Board of the Transferee Company shall, in compliance with Applicable Law, consolidate all such fractional entitlements of all eligible members and the Board of the Transferee Company shall, without any further act, instrument or deed, issue and allot such equity shares that represent the consolidated fractional entitlements to a trustee nominated by the Board of the Transferee Company and such trustee shall hold such equity shares, with all additions or accretions thereto, in trust for the benefit of eligible members who are entitled to the fractional entitlements (and their respective heirs, executors, administrators or successors) for the specific purpose of selling such equity shares so allotted on the Stock Exchanges at such time or times and at such price(s) and to such other person, as such person/trustee deems fit within 90 (ninety) days from the date of allotment or such other period as per the Applicable Law, and on such sale, distribute to the eligible members in proportion to their respective fractional entitlements, the net sale proceeds of such equity shares (after deduction of applicable Taxes and costs incurred and subject to withholding Tax, if any). It is clarified that any such distribution shall take place only after the sale of all the equity shares of the Transferee Company that were issued and allotted to the trustee pursuant to this Clause.

27.4. The equity shares to be issued to the shareholders of LTH in the Transferee Company pursuant to Clauses 27.1 and Clause 27.2 above shall be subject to the memorandum and articles of association of the Transferee Company and in compliance with the Applicable Laws.

27.5. The equity shares to be issued and allotted by the Transferee Company in terms of this Scheme shall rank pari passu in all respects and shall have the same rights attached to the then existing equity shares of the Transferee Company.



- 27.6. The equity shares to be allotted as per Clauses 27.1 and 27.2 above shall be issued in dematerialized form in accordance with the Applicable Law.
- 27.7. The issue and allotment of the equity shares by the Transferee Company, as provided in this Scheme, is an integral part of the Scheme, and shall be deemed to have been carried out without any further act or deed by the Transferee Company as if the procedure laid down under Sections 42 and 62 of the Companies Act or the ICDR Regulations or the LODR Regulations and any other applicable provisions of the Companies Act were duly complied with.
- 27.8. For the avoidance of doubt, it is hereby clarified that the Proposed Preferential Issue by the Transferee Company shall not impact, alter or otherwise change the Share Entitlement Ratio 5 at Clause 27.1 above.

28. LISTING OF EQUITY SHARES OF THE TRANSFEEE COMPANY

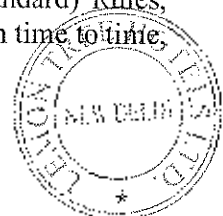
- 28.1 All equity shares of the Transferee Company, including the shares issued pursuant to this Part V of the Scheme shall, subject to the execution of the listing agreements with the Stock Exchanges and payment of the appropriate fees, be listed on the Stock Exchanges, which have nation-wide trading terminals in India, and admitted to trading. The Transferee Company shall apply to the Stock Exchanges (where the shares of LTH are listed) and SEBI for listing and admission to trading of all the equity shares of the Transferee Company issued pursuant to Clause 27. The Transferee Company shall enter into such arrangements, complete such formalities and give undertakings, if any, to the Stock Exchanges, including for seeking exemption under Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 as may be necessary in accordance with Applicable Laws for listing of equity shares of the Transferee Company.
- 28.2 Subject to any dispensation granted by the SEBI and the Stock Exchanges, the shares allotted pursuant to Clause 27 of the Scheme shall remain frozen in the depositories system until permission for listing/trading is granted by the Stock Exchanges.
- 28.3 Until such time as the equity shares of the Transferee Company are listed on the Stock Exchanges, except as provided in the Scheme, there shall be no change in the shareholding pattern or control of or pre-arrangement capital structure of the Transferee Company between the Record Date and the listing which may affect the status of approvals received from the Stock Exchanges, other than as provided in the Scheme.
- 28.4 In terms of the SEBI Circular, the Transferee Company undertakes that if, upon listing of its equity shares pursuant to the Scheme, the public shareholding of the Transferee Company is less than 25% (twenty-five percent), it shall increase its public shareholding to at least 25% (twenty-five percent) within a period of one (1) year from the date of listing of its equity shares in the manner prescribed under Applicable Law.

29. ACCOUNTING TREATMENT

29.1. Accounting treatment in the books of LTH

Pursuant to the Scheme coming into effect, with effect from the Effective Date, LTH shall account for the demerger in accordance with Ind AS notified under Section 133 of the Companies Act, as notified under the Companies (Indian Accounting Standard) Rules, 2015 and generally accepted accounting principles, as may be amended from time to time, in its books of accounts such that:

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- (a) The assets distributed to the shareholders (considered as a distribution of assets), shall be recognised by debit to retained earnings under the head "Other Equity" at the fair value of such assets distributed.
- (b) The carrying values of all Demerged Assets and Demerged Liabilities pertaining to the Demerged Undertaking as appearing in the books of accounts of LTH, being transferred to and vested in the Transferee Company, shall be reduced, from the respective book value of the assets and liabilities of LTH.
- (c) Difference, if any, between the carrying value of Demerged Assets and Demerged Liabilities (in point (b) above) and the fair value of the distributed assets (in point (a) above), shall be recognised in the Statement of Profit and Loss.
- (d) Any matter not dealt with in clauses hereinabove shall be dealt with in accordance with the Ind AS applicable to LTH.

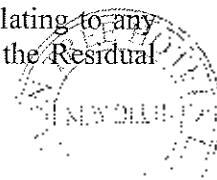
29.2. Accounting treatment in the books of Transferee Company

Pursuant to the Scheme coming into effect, with effect from the Effective Date, the Transferee Company shall account for the demerger in accordance with Ind AS notified under Section 133 of the Companies Act, under the Companies (Indian Accounting Standard) Rules, 2015, and generally accepted accounting principles, as may be amended from time to time, in its books of accounts such that:

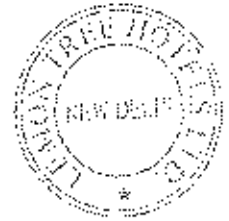
- (a) The Transferee Company shall record all the identifiable Demerged Assets and Demerged Liabilities of the Demerged Undertaking, vested in it pursuant to the Scheme at their respective fair values, as determined in accordance with Ind AS.
- (b) The Transferee Company shall credit to its equity share capital, the aggregate of the face value of equity shares issued and allotted by it pursuant to the Scheme and excess, if any, of the fair value of the equity shares issued over the face value of the equity shares issued shall be classified as securities premium under the head "Other Equity".
- (c) The difference between the fair value of new equity shares issued and the excess of the fair value of Demerged Assets acquired over the fair value of Demerged Liabilities assumed, shall be recorded as goodwill / capital reserve, as the case may be.
- (d) Any matter not dealt with in clauses hereinabove shall be dealt with in accordance with the Ind AS applicable to the Transferee Company.

30. RESIDUAL UNDERTAKING OF LTH

- 30.1 The Residual Undertaking and all Assets and Liabilities pertaining thereto shall continue to belong to and be vested in and be managed by LTH.
- 30.2 All legal, Taxation or other proceedings by or against LTH under any statute, or quasi-judicial authority or tribunal) whether pending on the date of filing of this Scheme or which may be instituted in future whether or not in respect of any matter arising before the Effective Date and relating to the Residual Undertaking (including those relating to any property, right, power, Liability, obligation or duties of LTH in respect of the Residual



Undertaking) shall be continued and enforced by or against LTH. The Transferee Company shall in no event be responsible or liable in relation to any such legal, Taxation or other proceeding against LTH and if proceedings are taken up against the Transferee Company in respect of the matters referred to in this Clause, it shall defend the same in accordance with the advice of LTH and at the cost of LTH and the latter shall reimburse and indemnify the Transferee Company against all Liabilities and obligations incurred by the Transferee Company in respect thereof.

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PART VI- GENERAL TERMS AND CONDITIONS

31. BUSINESS UNTIL EFFECTIVE DATE

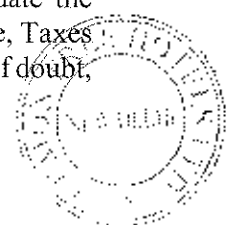
31.1 With effect from the Appointed Date and until Part III of the Scheme becomes effective:

- (a) the Transferor Company 1 and Transferor Company 2 shall be deemed to have been carrying on, and to be carrying on, all business and activities of the Transferor Company 1 and Transferor Company 2, respectively, in each case, in ordinary course, for and on account of and in trust for LTH;
- (b) All profits or income arising or accruing to the Transferor Company 1 and Transferor Company 2 and all Taxes paid thereon or losses including Tax losses, arising or incurred by the Transferor Company 1 and Transferor Company 2 for the period commencing from the Appointed Date to the date the Scheme is effective shall, for all purposes, be treated as the profits or income, Taxes or losses, as the case may be, of LTH;
- (c) All Assets howsoever acquired by the Transferor Company 1 and Transferor Company 2 for carrying on their respective businesses, operations or activities and the Liabilities relating thereto shall be deemed to have been acquired and are also contracted for and on behalf of LTH;
- (d) Any of the rights, powers, authorities or privileges exercised by the Transferor Company 1 and Transferor Company 2 shall be deemed to have been exercised by the Transferor Company 1 and Transferor Company 2, respectively, for and on behalf of, and in trust for, LTH. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company 1 and Transferor Company 2 shall be deemed to have been undertaken or discharged for and on behalf of LTH; and
- (e) The Transferor Company 1, Transferor Company 2 and LTH shall be entitled, pending the sanction of the Scheme, to apply to the appropriate Governmental Authorities concerned as are necessary under any Applicable Law for such Consents, which the Transferor Company 1, Transferor Company 2 and LTH may require to carry on the business of the Transferor Company 1 and Transferor Company 2 (as applicable) to give effect to the Scheme.

31.2 With effect from the Appointed Date and until Part IV of the Scheme becomes effective:

- (a) the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 shall be deemed to have been carrying on, and to be carrying on, all business and activities of the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 (as applicable), in each case, in ordinary course, for and on account of and in trust for the Transferee Company;
- (b) All profits or income arising or accruing to the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 and all Taxes paid thereon or losses including Tax losses, arising or incurred by the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 (as applicable) for the period commencing from the Appointed Date to the date the Scheme is effective shall, for all purposes, be treated as the profits or income, Taxes or losses, as the case may be, of the Transferee Company; For the avoidance of doubt,

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it is clarified that LTH shall be entitled to receive such fees as agreed between the parties under the relevant SH Management Agreements for the provision of services with respect to the Subsidiary Hotels, which have been transferred as part of Amalgamation 2;

- (c) All Assets howsoever acquired by the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 for carrying on their respective businesses, operations or activities and the Liabilities relating thereto shall be deemed **to have been acquired and are also contracted for and on behalf of the Transferee Company;**
- (d) Any of the rights, powers, authorities or privileges exercised by the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 shall be deemed to have been exercised by Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 (as applicable) for and on behalf of, and in trust for, the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 shall be deemed to have been undertaken or discharged for and on behalf of the Transferee Company; and
- (e) The Transferor Company 3, Transferor Company 4, Transferor Company 5, Transferor Company 6 and the Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the appropriate Governmental Authorities concerned as are necessary under any Applicable Law for such Consents which the Transferor Company 3, Transferor Company 4, Transferor Company 5, Transferor Company 6 and Transferee Company may require to carry on the business of the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 (as applicable) to give effect to the Scheme.

31.3 With effect from the Appointed Date and until Part V of the Scheme becomes effective:

- (a) LTH shall be deemed to have been carrying on, and to be carrying on, all business and activities of the Demerged Undertaking, in ordinary course, for and on account of and in trust for the Transferee Company;
- (b) All profits or income arising or accruing to the Demerged Undertaking and all Taxes paid thereon or losses including Tax losses, arising or incurred by LTH in relation to the Demerged Undertaking for the period commencing from the Appointed Date to the date the Scheme is effective shall, for all purposes, be treated as the profits or income, Taxes or losses, as the case may be, of the Transferee Company. For the avoidance of doubt, it is clarified that LTH shall be entitled to receive such fees as agreed between the parties under the relevant Demerged Property Management Agreements for the provision of services with respect to the Demerged Hotel Properties and Aurika, Shillong, which have been transferred as part of the Demerger;
- (c) All Assets howsoever acquired by LTH for carrying on the business, operations or activities of the Demerged Undertaking and the Liabilities relating thereto, shall be deemed to have been acquired and are also contracted for and on behalf of the Transferee Company;
- (d) Any of the rights, powers, authorities or privileges exercised by LTH in relation to the Demerged Undertaking shall be deemed to have been exercised by LTH for and

LTH



on behalf of, and in trust for, the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by LTH in relation to the Demerged Undertaking shall be deemed to have been undertaken or discharged for and on behalf of the Transferee Company; and

- (e) LTH and the Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the appropriate Governmental Authorities concerned as are necessary under any Applicable Law for such Consents which LTH may require to carry on the business of the Demerged Undertaking, to give effect to the Scheme.

31.4 CHANGE IN CAPITAL STRUCTURE OF THE COMPANIES

Without prejudice to the generality of this Scheme, during the period between the date of approval of the Scheme by the respective Boards of the Companies and up to and including the Effective Date, none of the Companies shall make any change in their respective capital structures, by way of increase (including by issue of equity shares on a rights basis and issue of bonus shares), decrease, reduction, reclassification, subdivision or consolidation, re-organisation of share capital which may affect the issuance of shares as per Clauses 20 and 27, except under any of the following circumstances:

- (a) by mutual written consent of the respective Boards of the Companies, to the extent permissible under Applicable Law;
- (b) the transfer of the entire shareholding of APG in the Transferee Company, from APG to the Investor pursuant to the SPA and issuance of equity shares to the Investor pursuant to the Proposed Preferential Issue pursuant to the SHA; or
- (c) as may otherwise be expressly permitted under this Scheme.

31.5 The approval and sanction of this Scheme by the shareholders and creditors of the Companies, and by the Government Authorities, shall be deemed to constitute sufficient corporate authority for the Companies under Applicable Laws, including the LODR Regulations, to enter into, execute and give effect to the transactions contemplated under or mentioned in the Scheme including the amendments proposed to the Existing Management Agreements and execution of the New Management Agreements, and no separate or further Consents or resolution under LODR Regulations, or under Companies Act or any other Applicable Law, shall be required for the execution, delivery or performance of the obligations under the aforementioned arrangements/ agreements / documents.

32. WRONG POCKET ASSETS

32.1 If at any time after the Effective Date, LTH or Transferee Company (the "**Holding Party**") is erroneously or otherwise holding any Asset that ought to have been, but has not been, transferred to another Party (the "**Entitled Party**") pursuant to the Scheme (a "**Wrong Pocket Asset**"), then the Holding Party shall (i) notify the Entitled Party of holding such Wrong Pocket Asset within 2 (two) business days after it becomes aware of possession of such Wrong Pocket Asset; and (ii) without any costs to the Entitled Party, transfer or deliver, as the case may be, such Wrong Pocket Asset, as soon as practicable and in no event after 7 (seven) business days after the date on which the Holding Party becomes aware of possession of such Wrong Pocket Asset, to the Entitled Party. The Companies shall do all such further acts and things and shall execute such documents as may be

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necessary to effect the transfer and vesting of such Wrong Pocket Asset in the Entitled Party.

- 32.2 Without prejudice to Clause 32.1 above, if the Holding Party cannot deliver or transfer a Wrong Pocket Asset, it shall, to the extent permitted by Applicable Law, hold the relevant Wrong Pocket Asset in trust for the benefit of the Entitled Party and shall account for and pay over to the Entitled Party the benefits (including all cash and other Assets received by it) in respect of such Wrong Pocket Asset. The Entitled Party shall be entitled to the use and enjoyment of such Wrong Pocket Asset.

33. MISCELLANEOUS AND GENERAL PROVISIONS

33.1 Conditions Precedent

Unless otherwise decided and agreed by and between the Board of Directors of each of the Companies, the effectiveness of this Scheme is conditional on and subject to:

- (a) Receipt of observation or no-objection letter by LTH from SEBI/Stock Exchanges under Regulation 37 of the LODR Regulations, in accordance with the SEBI Circular in respect of the Scheme, on terms acceptable to LTH and the Transferee Company;
- (b) The Scheme being approved by the requisite majority of members (passed through postal ballot/e-voting as applicable) and/or creditors (where applicable) of LTH and the Transferee Company and the Amalgamating Companies as required under the Companies Act, LODR Regulations, and as may be directed by the NCLT, subject to any dispensation that may be granted by the NCLT;
- (c) The Competition Commission of India having granted an approval (if and to the extent required) for the consummation of: (i) the transfer of shares contemplated under the SPA; (ii) the Proposed Preferential Issue in accordance with the SHA; and (iii) the transactions contemplated under the Scheme to undertake (a) Amalgamation 1, (b) Amalgamation 2 and (c) the Demerger;
- (d) The Scheme being sanctioned by the NCLT in terms of Sections 230 to 232 and other relevant provisions of the Companies Act on terms acceptable to the Companies; and
- (e) The certified/authenticated copies of the Sanction Order of the NCLT approving this Scheme being filed with the Registrar of Companies by each of the Companies.

33.2 Order of Implementation of the Scheme

- (a) Upon this Scheme becoming effective, the following shall be deemed to have occurred and become effective and operative only in the sequence and in the order mentioned hereunder:
 - (i) The amalgamation of Transferor Company 1 and Transferor Company 2 with LTH pursuant to Part-III of this Scheme;
 - (ii) The amalgamation of Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 with the Transferee Company pursuant to Part-IV of this Scheme; and



- (iii) The demerger of the Demerged Undertaking from LTH to the Transferee Company pursuant to Part-V of this Scheme.
- (b) It is hereby clarified that submission of this Scheme to the NCLT and to the Governmental Authorities for their respective Consents is without prejudice to all rights, interests, titles or defences that the Companies may have under or pursuant to Applicable Law.
- (c) The shareholders of the Companies and such other classes of persons relating to the Companies, if any, as the case may be, by approving this Scheme, shall also be deemed to have resolved and accorded all relevant Consents under the Companies Act, LODR Regulations or otherwise to the same extent applicable to all the matters related or arising pursuant to the Scheme.
- (d) It is hereby clarified that the effectiveness and implementation of Part III, Part IV and Part V of the Scheme are interdependent on each other and the Scheme shall not take effect unless each of Part III, Part IV and Part V take effect in the sequence set out in Clause 33.2(a) above.

33.3 Reorganization and Consolidation of Authorised Share Capital and Consequent Amendments to the Memorandum of Association of LTH and Transferee Company

- (a) As an integral part of the Scheme and upon this Scheme becoming effective, the authorised share capital of the Transferor Company 1 and Transferor Company 4 having face value of Re. 1/- (Indian Rupee One) each, shall stand reorganized entirely as equity shares having face value of Rs. 10/- (Indian Rupee Ten) each.
- (b) As an integral part of the Scheme and upon this Scheme becoming effective, the authorised share capital of each of the Transferor Company 1 (after reclassification as per Clause 33.3(a)) and the Transferor Company 2 shall stand transferred to and be amalgamated/combined with the authorised share capital of LTH. Clause V of the memorandum of association of LTH shall, upon this Scheme becoming effective, pursuant to the provisions of Section 13 and other applicable provisions, if any of the Companies Act and without any act, instrument or deed be and stand altered, modified and amended as follows:

"V. The Authorised Share Capital of the Company is Rs. 1,067,34,00,000 (Indian Rupees One Thousand Sixty Seven Crores Thirty Four Lakhs Only) divided into 104,74,90,000 (One Hundred Four Crores, Seventy Four Lakhs Ninety thousand) Equity Shares of Rs. 10 (Indian Rupees Ten) each, 545,000 (Five Lakhs Forty Five thousand only) 5% Redeemable Preference Shares of Rs. 100/- (Rupees One hundred each) and 14,40,000 (Fourteen Lakhs Forty thousand only) Preference Shares of Rs. 100 each (Rupees One Hundred each)."

- (c) As an integral part of the Scheme and upon this Scheme becoming effective, the authorised share capital of each of the Transferor Company 3, Transferor Company 4 (after reclassification as per Clause 33.3(a)), Transferor Company 5 and Transferor Company 6 shall stand transferred to and be amalgamated/combined with the authorised share capital of the Transferee Company. Clause V of the memorandum of association of Transferee Company shall, upon this Scheme becoming effective, pursuant to the provisions of Section 13 and other applicable provisions, if any of the Companies Act and without any act, instrument or deed be and stand altered, modified and amended as follows:

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"V. The Authorised Share Capital of the Company is Rs. 267,63,00,000 (Indian Rupees Two hundred sixty seven Crores sixty three Lakhs Only) divided into 24,62,30,000 (Twenty Four Crores Sixty Two Lakhs and thirty thousand only) Equity Shares of Rs. 10 (Indian Rupees Ten) each; 10,00,000 (Ten Lakhs only) Preference Shares of Rs. 100/- (Rupees One hundred each) and 1,14,00,000 (One Crore Fourteen Lakhs only) Preference Shares of Rs. 10 each (Rupees Ten each)."

- (d) If the authorised share capital of LTH, the Transferee Company, Amalgamating Companies undergoes any change prior to the Effective Date, either as a consequence of any corporate actions or otherwise, then the relevant authorised share capital clause of the memorandum of association of LTH/Transferee Company shall automatically stand modified or adjusted automatically to take into account the effect of such change.
- (e) The fees or stamp duty, if any, paid by each of the Amalgamating Companies on their respective authorised share capital shall be deemed to have been so paid by LTH or the Transferee Company, as the case may be, on the combined authorised share capital, and LTH or the Transferee Company, as the case may be, shall not be required to pay any fee/ stamp duty for the increase of the authorised share capital in compliance with Section 232(3)(i) of the Companies Act. The authorised share capital of LTH or Transferee Company, as the case may be, will automatically stand increased to that effect by filing the requisite forms with the RoC and no separate procedure or instrument or deed shall be required to be followed under the Companies Act.
- (f) The approval of this Scheme by shareholders of LTH or the Transferee Company, as the case may be, under Sections 230 to 232 of the Companies Act, whether at a meeting or otherwise, or any dispensation of the same by the Tribunal, shall be deemed to have been an approval under Sections 13, section 61 and 64 or any other applicable provisions under the Companies Act and no further resolution(s) would be required to be separately passed in this regard.

33.4 Compliance with Laws

- (a) This Scheme is presented and drawn up to comply with the provisions/requirements of Sections 230-232 and other applicable provisions of the Companies Act, for the purpose of Amalgamation 1, Amalgamation 2 and Demerger of the Demerged Undertaking to the Transferee Company. LTH and the Transferee Company will ensure compliance, as applicable, with the General Circular No. 09/2019 dated August 21, 2019 issued by the Ministry of Corporate Affairs with regard to the 'appointed date'.
- (b) The Amalgamations under Parts III and IV of this Scheme has been drawn up to comply with the conditions relating to "amalgamation" as specified under the Tax laws, including Section 2(1B) and other relevant sections of the IT Act 1961 or IT Act 2025, as applicable and the Demerger under Part V of this Scheme has been drawn up to comply with the conditions relating to "demerger" as specified under the Tax laws, including Section 2(19AA) and other relevant sections of the IT Act 1961 or IT Act 2025, as applicable. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the IT

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Act 1961 or IT Act 2025, as applicable, shall prevail. The Scheme shall then be mutually agreed to be modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Companies, which power shall be exercised reasonably in the best interests of the Companies concerned and their stakeholders.

- (c) Upon the Scheme becoming effective, LTH and the Transferee Company are expressly permitted to revise their financial statements. The Sanction Order shall be deemed to be an order of the NCLT permitting the Transferee Company to revise its financial statements and books of accounts and no further act shall be required to be undertaken by the Transferee Company.

33.5 Dividends

- (a) The Companies shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date.
- (b) The holders of the shares of the Companies shall, save as expressly provided otherwise in this Scheme and subject to Clause 33.5(a) above, continue to enjoy their existing rights under their respective articles of association including the right to receive dividends.
- (c) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Companies to demand or claim any dividends which, subject to the provisions of the Companies Act, shall be entirely at the discretion of the respective Boards of Directors of the Companies respectively and subject to the approval of the shareholders of the Companies respectively.

33.6 Applications to the NCLT

- (a) The Companies shall as may be required make necessary applications and/or petitions to the NCLT under Sections 230-232 and other applicable provisions of the Companies Act and the rules issued thereunder seeking orders for dispensing with or convening, holding and conducting of the meetings of members and/or creditors and for sanction of this Scheme with such modification as may be approved by the NCLT and all matters ancillary or incidental thereto.
- (b) Upon this Scheme being approved by the requisite majority of the shareholders and creditors of the Companies, respectively (wherever required) through e-voting to be made available to the public shareholders of LTH and as otherwise applicable, the Companies shall, with all reasonable dispatch, file respective petitions before the NCLT for sanction of this Scheme under Sections 230-232 and other applicable provisions of the Companies Act and for such other order or orders, as the NCLT may deem fit for putting this Scheme into effect.
- (c) Upon this Scheme becoming effective, the shareholders of the Companies shall be deemed to have also accorded their approval under all relevant provisions of the Companies Act for giving effect to the provisions contained in this Scheme.

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33.7 Modification or Amendments to the Scheme

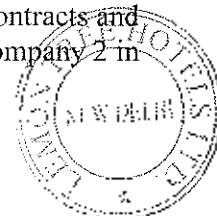
- (a) The Companies through their respective Boards of Directors, may, if agreed between all of the Companies in writing, in their full and absolute discretion, assent to any alteration, amendment or modification to this Scheme, as they may deem fit, or which the NCLT and/or any other Governmental Authority may deem fit to approve or impose.
- (b) The Companies through their respective Boards of Directors, may, if agreed between all of the Companies in writing, give such directions as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to or of the meaning or interpretation of the Scheme or implementation hereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders of the respective Companies), or to review the position relating to the satisfaction of various conditions to the Scheme and if necessary, to waive any of those (to the extent permissible under Applicable Law).
- (c) The Companies through their respective Boards of Directors, shall, if agreed between all of the Companies in writing, be at liberty to withdraw from this Scheme or any of its parts in case any condition or alteration imposed by the NCLT or any other Governmental Authority is not on terms acceptable to them, prior to the Effective Date. Upon the withdrawal of this Scheme or any of its parts as set out in this Clause, no rights and liabilities shall accrue to or be incurred by the respective Companies or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs and expenses or as may be otherwise mutually agreed.
- (d) If any part of this Scheme is invalid, ruled illegal or rejected or is unreasonably delayed or not sanctioned by any court of competent jurisdiction, or unenforceable under present or future laws, or not sanctioned or is unreasonably delayed, then it is the intention of the Companies that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the Companies, acting through their respective Boards of Directors, shall attempt to bring about a modification in this Scheme, as will best preserve for the Companies, the benefits and obligations of this Scheme, including but not limited to such part, which is invalid, ruled illegal or rejected, or being unreasonably delayed or not sanctioned or is unreasonably delayed by any court of competent jurisdiction, or unenforceable under present or future laws.

33.8 Other Miscellaneous Provisions

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Board of Directors of the Companies, affect the validity or implementation of the other parts and/or provisions of this Scheme.

33.9 Residual

- (a) Upon this Scheme becoming effective, (i) LTH shall be entitled to operate all bank accounts, cash and deposits relating to the Transferor Company 1 and Transferor Company 2, realise all monies and complete and enforce all pending contracts and transactions in respect of the Transferor Company 1 and Transferor Company 2 in



the name of the Transferor Company 1 and Transferor Company 2 to the extent necessary; and (ii) the Transferee Company shall be entitled to operate all bank accounts, cash and deposits of the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 and relating to the Demerged Undertaking, realise all monies and complete and enforce all pending contracts and transactions in respect of the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 and the Demerged Undertaking in the name of LTH to the extent necessary.

- (b) Upon this Scheme becoming effective, (i) LTH shall be entitled to occupy and use all premises, whether owned, leased or licensed, relating to the Transferor Company 1 and Transferor Company 2 until the transfer of the rights and obligations of the Transferor Company 1 and Transferor Company 2 to LTH under this Scheme is formally accepted by the parties concerned; (ii) the Transferee Company shall be entitled to occupy and use all premises, whether owned, leased or licensed, relating to the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 until the transfer of the rights and obligations of the Transferor Company 3, Transferor Company 4, Transferor Company 5 and Transferor Company 6 to the Transferee Company under this Scheme is formally accepted by the parties concerned; and (iii) the Transferee Company shall be entitled to occupy and use all premises, whether owned, leased or licensed, relating to the Demerged Undertaking until the transfer of the rights and obligations of LTH pertaining to the Demerged Undertaking to the Transferee Company under this Scheme is formally accepted by the parties concerned.

33.10 Cost, Charges and Expenses

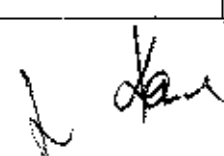

- (a) Each of the Companies shall bear their own respective costs, expenses, charges and fees in relation to the negotiations leading up to the transactions contemplated hereunder and the preparation, execution, filing, approval and carrying into effect of the Scheme including costs associated with advisors and satisfaction of the conditions precedent.
- (b) The stamp duty payable in the State of Haryana on the Sanction Order shall be borne by the Transferee Company.
- (c) All costs, charges and expenses payable in relation to or in connection with Amalgamation 1 (including stamp duty, registration and transfer related charges incurred on the transfer/mutation of properties, whether owned or leased) shall be borne solely by LTH.
- (d) All costs, charges and expenses payable in relation to or in connection with Amalgamation 2 and the Demerger (including stamp duty, registration and transfer related charges incurred on the transfer/mutation of properties, whether owned or leased) shall be borne by the Transferee Company.
- (e) Subject to Clauses 33.10 (a) and (d) above, each of the Companies shall bear their respective Taxes, if any, that may arise in relation to the Scheme.



SCHEDULE 1

Demerged Undertaking of Lemon Tree Hotels Limited Balance Sheet as at September 30, 2025

Particulars	As at September 30, 2025 Rs in lakhs
ASSETS	
Non-current assets	
(a) Property, plant and equipment	33,652.60
(b) Capital work-in-progress	6,107.51
(c) Intangible assets	13.47
(d) Right of use asset	11,174.92
(e) Financial assets	
(i) Other non-current financial assets	1,604.71
(f) Other non-current assets	520.32
	53,073.53
Current assets	
(a) Inventories	223.34
(b) Financial assets	
(i) Trade receivables	1,154.37
(ii) Cash and cash equivalents	95.99
(iii) Other current financial assets	1.22
(c) Other current assets	1,144.55
	2,619.47
Total Assets	55,693.00
EQUITY AND LIABILITIES	
Equity	
(a) Equity of M/s Arum Hotels Private Limited	484.15
(b) Head office account(including other equity)	15,488.47
Total Equity	15,972.62
Liabilities	
Non-current liabilities	
(a) Financial liabilities	
(i) Borrowings	12,257.93
(ii) Lease liability	15,240.41
(b) Provisions	28.04
(c) Deferred tax liabilities (net)	782.86
	28,309.24
Current liabilities	
(a) Financial liabilities	
(i) Borrowings	7,148.33
(ii) Lease liability	226.82
(iii) Trade payables	
- total outstanding dues of micro enterprises and small enterprises	313.39
- total outstanding dues of creditors other than micro enterprises and small enterprises	1,195.44
(iv) Other current financial liabilities	1,361.37
(b) Provisions	149.87
(c) Current tax liabilities (net)	414.48
(d) Other current liabilities	601.44
	11,411.14
Total Liabilities	39,720.38
Total Equity and Liabilities	55,693.00

SCHEDULE 2

Residual Undertaking of Lemon Tree Hotels Limited Balance Sheet as at September 30, 2025

Particulars	As at September 30, 2025 Rs in lakhs
ASSETS	
Non-current assets	
(a) Property, plant and equipment	4,680.29
(b) Investment property	212.78
(c) Intangible assets	114.16
(d) Right of use asset	1,317.97
(e) Financial assets	
(i) Investments	98,263.75
(ii) Loans	5,417.82
(iii) Other non-current financial assets	904.88
(f) Deferred tax assets (net)	623.14
(g) Non-Current tax assets (net)	1,263.92
(h) Other non-current assets	156.99
	1,12,955.70
Current assets	
(a) Inventories	36.09
(b) Financial assets	
(i) Trade receivables	1,618.18
(ii) Cash and cash equivalents	481.22
(iii) Investments	518.21
(iv) Bank balances other than (ii) above	215.00
(v) Loans	481.08
(vi) Other current financial assets	647.48
(c) Other current assets	1,395.49
	5,392.75
Total Assets	1,18,348.45
EQUITY AND LIABILITIES	
Equity	
(a) Share capital	79,184.76
(b) Head office account	10,440.34
(c) Other equity	24,909.82
Total Equity	1,14,534.92
Liabilities	
Non-current liabilities	
(a) Financial liabilities	
(i) Borrowings	337.94
(ii) Lease liability	1,309.89
(b) Provisions	186.04
	1,833.87
Current liabilities	
(a) Financial liabilities	
(i) Borrowings	107.99
(ii) Lease liability	130.99
(iii) Trade payables	
- total outstanding dues of micro enterprises and small enterprises	73.19
- total outstanding dues of creditors other than micro enterprises and small enterprises	727.59
(iv) Other current financial liabilities	280.61

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(b) Provisions	101.90
(c) Other current liabilities	557.39
	1,979.66
Total Liabilities	3,813.53
Total Equity and Liabilities	1,18,348.45

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SCHEDULE 3

KEY COMMERCIAL TERMS OF SH MANAGEMENT AGREEMENTS, DEMERGED PROPERTY MANAGEMENT AGREEMENTS AND EXISTING MANAGEMENT AGREEMENTS

1. **Tenure of the Agreement:** Five (5) years from the Appointed Date, with automatic renewals for successive periods of five (5) years each, subject to the provisions of the relevant agreement and as may be mutually agreed between the parties, and also subject to receipt of shareholder approval as required under Applicable Law, for up to four (4) further renewal periods, unless otherwise mutually agreed between the parties.
2. Material terms, monetary value and particulars of the agreement or arrangement: The Company receives the management fees at a percentage of the Gross Income and Gross Operating Profit of each Hotel, which depends on prevailing market conditions, therefore value of the transaction cannot be determined. The management fee comprises of the following elements:
 - a) Base Management Fees: 3.5 % of Gross Income of the Hotel(s) on a calendar monthly basis;
 - b) Incentive Fees:
 - (i) 4.0% of Gross Operating Profit of the Hotel(s) where the Adjusted Gross Operating Profit (AGOP) Margin is less than or equal to 50%; or
 - (ii) 8.0% of Gross Operating Profit of the Hotel(s) where the AGOP Margin is more than 50%;
 - c) Sales, Marketing and Branding, Website Reservation, Loyalty Programmes and Reservation & Communication Services: 2.5% of Gross Income of the Hotel(s).

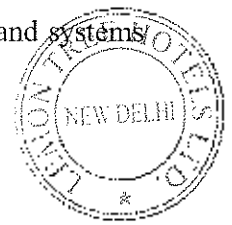
In addition to above fee the owning company agrees and undertakes to pay the following charges as mutually agreed between parties:

- (i) training fee, charges, expenses to LTH (“**Operating Company**”) or such other specifically nominated agency; and
 - (ii) fee, charges towards tech platform services subscription, chargeable by the Operating Company or its Affiliate
3. **Key Definitions:**

“**Adjusted Gross Operating Profit**” or “**AGOP**” means with respect to each Financial Year, the Gross Operating Profit plus the following amounts attributable to such Financial Year:

- (a) Base Management Fee.
- (b) Fee for group advertising, call centers, sales promotion public relations and personnel training programmes, sales and reservation networks and facilities (such as websites, reservations network, loyalty programmes, etc.) to the extent specified.
- (c) all costs and expenses for maintenance of information technology tools and systems attributable to the management and operation of the Hotel.

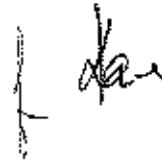
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“Adjusted GOP Margin” or “AGOP Margin” means the Adjusted Gross Operating Profit divided by the Gross Income for the relevant period.

Gross Operating Profit and Gross Income shall have the meanings as ascribed to them in the relevant SH Management Agreements, the Demerged Property Management Agreements and the amended Existing Management Agreements.

Exclusivity: During the Operating Term, the Operating Company shall not enter into any agreement for managing a hotel under the brands owned by the Operating Company and / or its Affiliates in same hotel segment (“**Restricted Brand**”), for at least a one km radius, or 2 km from the Hotel (driving distance whichever is the greater restriction (“**Restricted Area**”). For the avoidance of doubt both the conditions must be satisfied for the exclusivity not to apply. In the event the Parties are not in agreement as to whether a brand managed by the Operating Company is a Restricted Brand the matter shall be referred to an Expert for resolution.



SCHEDULE 4

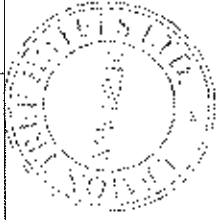
KEY MODIFICATIONS TO THE EXISTING CONTRACTS

Sl. No.	Agreement	Name of the Hotel	Name of the owning company	Name of the Operating Company	Date of the Existing Management Agreement(s)	Current validity of the Agreement till	Proposed Tenure
1	Hotel Operating Agreement	Lemon Tree Premier, Hi Tech City Hyderabad	Fleur Hotels Limited	Lemon Tree Hotels Limited	25.04.2012	31.03.2029	Operating Term: Five (5) years from the Appointed Date, with automatic renewals for successive periods of five (5) years each, subject to the provisions of the relevant agreement and as may be mutually agreed between the parties, and also subject to receipt of shareholder approval as required under Applicable Law, for up to four (4) further renewal periods, unless otherwise mutually agreed between the parties.
2	Hotel Operating Agreement	Lemon Tree Hotel, Gachibowli, Hyderabad	Fleur Hotels Limited		01.03.2015	31.03.2029	
3	Hotel Operating Agreement	Lemon Tree Amarante Beach Resort, Goa	Fleur Hotels Limited		01.08.2015	31.03.2029	
4	Hotel Operating Agreement	Lemon Tree Hotel, Candolim (Goa)	Fleur Hotels Limited		19.12.2016	31.03.2029	
5	Hotel Operating Agreement	Red Fox Hotel, Sector 60, Gurugram	Fleur Hotels Limited		09.01.2017	31.03.2029	
6	Hotel Operating Agreement	Lemon Tree Hotel, Sector 60, Gurugram	Fleur Hotels Limited		09.01.2017	31.03.2029	
7	Hotel Operating Agreement	Lemon Tree Premier, Leisure Valley 2, Gurugram	Fleur Hotels Limited		01.04.2017	31.03.2029	
8	Hotel Operating Agreement	Red Fox Hotel, Dehradun	Fleur Hotels Limited		22.10.2018	31.03.2029	
9	Hotel Operating Agreement	Lemon Tree Premier, Pune	Fleur Hotels Limited		05.12.2018	31.03.2029	
10	Hotel Operating Agreement	Lemon Tree Premier, Mumbai	Fleur Hotels Limited		12.06.2019	31.03.2029	
11	Hotel Operating Agreement	Lemon Tree Premier, Kolkata	Fleur Hotels Limited		14.10.2019	31.03.2029	
12	Hotel Operating Agreement	Aurika Hotels & Resorts, Udaipur	Fleur Hotels Limited		29.10.2019	31.03.2029	



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13	Hotel Operating Agreement	Aurika Hotels & Resorts, Mumbai	Iora Hotels Private Limited (Subsidiary of Fleur Hotels Limited)	05.10.2023	04.10.2028
14	Hotel Operating Agreement	Lemon Tree Wildlife Resort, Bandhavgarh	Bandhav Resorts Private Limited (Subsidiary of Fleur Hotels Limited)	19.12.2016	31.03.2029
15	Hotel Operating Agreement	Lemon Tree Hotel, Electronic City	Celsia Hotels Private Limited (Subsidiary of Fleur Hotels Limited)	29.06.2012	31.03.2029
16	Hotel Operating Agreement	Lemon Tree Premier, Delhi Airport	Hyacinth Hotels Private Limited (Subsidiary of Fleur Hotels Limited)	22.09.2014	31.03.2029
17	Hotel Operating Agreement	Lemon Tree Hotel, Whitefield	Inovoa Hotels and Resorts Limited (Subsidiary of Fleur Hotels Limited)	30.09.2013	31.03.2029
18	Hotel Operating Agreement	Keys Select Hotel, Hosur Road	Berggruen Hotels Private Limited (Subsidiary of Fleur Hotels Limited)	15.11.2019	14.11.2031
19	Hotel Operating Agreement	Keys Select Hotel, Whitefield			
20	Hotel Operating Agreement	Keys Select Hotel, Thiruvanthapuram			
21	Hotel Operating Agreement	Keys Select Hotel, Kochi			
22	Hotel Operating Agreement	Keys Select Hotel, Pimpri			
23	Hotel Operating Agreement	Keys Select Hotel, Ludhiana			
24	Hotel Operating Agreement	Keys Select Hotel, Visakhapatnam			



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