

Transcript of meeting of Unsecured Creditors of the Company

Aparna Goel: Good Afternoon. I Aparna Goel, Company Secretary of Dhampur Sugar Mills Ltd., participating from Delhi, welcome you all in this NCLT convened meeting of unsecured creditors of the Company. As you are aware in view of the continuing Covid-19 pandemic and pursuant to the National Company Law Tribunal, Allahabad Bench Order Dated 6th December 2021, and relevant MCA and SEBI circulars, this meeting is being held through video conference and other audio-visual means provided by NSDL, without the physical presence of the members at the venue. The venue of the meeting shall be deemed to be the registered office of the Company at Dhampur, Distt Bijnor, U.P. I also welcome all the dignitaries, including Directors attending the meetings and take this opportunity to introduce them to the members.

Shri Rahul Agarwal has been appointed as Chairman of this meeting by the NCLT. He is presiding this meeting from Prayagraj. Shri Aman Kumar Dwivedi has been appointed as alternate Chairman of this meeting by the NCLT, joining from Prayagraj. CS Saket Sharma, appointed as the scrutinizer by the NCLT to scrutinize the remote e-voting process and voting at the meeting in a fair and transparent manner, joining from Kanpur. Shri Vijay Kumar Goel, Chairman of the Company, participating from Delhi. Shri Ashok Kumar Goel, Vice Chairman of the Company, participating from Delhi. Shri Gaurav Goel, Managing Director of the Company, participating from Delhi. Shri Gautam Goel, Managing Director of the Company, participating from Delhi. Shri Sandeep Sharma, Executive Director of the Company, participating from Delhi. Shri Mahesh Prasad Mehrotra, Independent Director of the Company and Chairman of the Audit Committee and Nomination and Remuneration Committee, and Member of the CSR Committee of the Company, participating from Delhi. Shri Ashwini Kumar Gupta, Independent Director of the Company and Chairman of Stakeholder Relationship Committee and Member of Audit Committee and Nomination and Remuneration Committee of the Company, participating from Lucknow. Shri Yash Poddar, Independent Director of the Company, participating from Kolkata. Shri Susheel Kumar Mehrotra, Chief Financial Officer of the Company, participating from Delhi. Shri Nalin Kumar Gupta, Joint Chief Financial Officer of the Company, participating from Delhi. Mrs Neena Goel representing TR Chadha & Co. LLP, joint statutory auditors of the Company, joining from Delhi. Ms Fiza Gupta representing Atul Garg & Associates, joint statutory auditors of the Company, joining from Kanpur.

In compliance with the NCLT order dated 6th December 2021, the remote e-voting facility was provided by the Company to its secured creditors from Sunday, 23rd January 2022 from 9:00 am till Friday 28th January 2022 till 5:00 pm. The Company is also providing an e-voting facility during the proceedings of the meeting to enable secured creditors to cast their votes who have not done voting through remote e-voting. Unsecured creditors may please note that notice and explanatory statement were dispatched to all the unsecured creditors and all the documents referred to in the notice are available for inspection during the meeting. Now I invite Shri Rahul Agarwal to kindly chair the proceedings of the meeting. Over to you Sir.

Rahul Agarwal- Thank you Aparna. Good Afternoon Ladies and Gentlemen. A very warm welcome to everyone present today at the meeting of the unsecured creditors of the Company. Since the requisite quorum is present, I declare the meeting as open.

Dear unsecured creditors, the scheme of arrangement for the demerger of three units of the Company to its wholly-owned subsidiary has already been circulated amongst the unsecured creditors and the notice contains the detailed terms. It is taken as placed and read. The scheme contains every possible provision for safeguarding the interest of shareholders. I would like to inform the secured creditors that voting on the proposed resolution on the scheme of arrangement is already enabled and unsecured creditors who have not already cast their votes through remote e-voting may opt anytime for a period of 30 minutes from the conclusion of this meeting to cast their votes. It is to further inform the unsecured creditors that the company has received requests from a few unsecured creditors to register them as speakers at the meeting. Accordingly, the floor is open for these unsecured creditors to ask questions or express their views. Unsecured creditors can also post their views or questions through the chatbox facility. If any unsecured creditor faces any technical issue, please contact the helpline number of NSDL, as provided in the notice issued to you. I request the unsecured creditors to keep their questions brief and specific to the scheme of arrangement. I, and the Company reserve the right to restrict the number of questions and the number of speakers, as appropriate for the smooth conduct of the meeting. I now invite the speakers who have registered themselves to express their views and ask questions. We will wait for one minute and then we will move on to the next speaker. I would also like to highlight to the speakers that when your name will be taken, your mic will be opened by the moderator of this meeting. You will, however, also have to unmute the mic from your end and express your views or ask questions. After all the speakers have finished speaking, the management will reply to their questions. If any question of any unsecured creditor remains unanswered due to any reasons, the same will be replied to the creditors on the email within a week from the conclusion of the meeting. Vijayata, you can let the speakers ask their questions.

Moderator- Thank you, Sir. I invite our first speaker, Mr Arhant Jain. Sir, please express your views and ask questions.

Arhant Jain- Sir, I have one question. Will the payment of creditors be affected due to the demerger process?

Moderator- Sir, you are not audible.

Arhant Jain- Will the payment of creditors be affected due to the demerger process? This is my question.

Moderator- Thank you, Sir. Now I further invite my second speaker Mr Kapil Kumar. Sir, please ask your question.

Kapil Kumar- Hello. Good afternoon to all. My question is, who will pay our dues? The new Companies or the old Company? Thank you.

Moderator- Thank you, Sir. Now I further invite Mr Sanjeev Kumar to ask his question.

Sanjeev Kumar: Good Afternoon everyone. My question is, I want to ask, after the demerger, will our order continue or they will be closed in the new Company?

Moderator -Thank you, Sir. This is all for speakers. Over to you Chairman Sir.

Rahul Agarwal- Thank you, creditors, for your queries on the scheme of arrangement. The Managing Directors, along with their team, will answer the questions one by one.

Gautam Goel: Thank you, Sir. I am Gautam Goel here. The question posted by Mr Jain; payments of creditors will not be affected. Whatever are the dues of the creditors, will be paid by the requisite Companies, depending on where the dues are. If it is DSML due, it will be paid by DSML. If there are DBOL dues, they will be paid by DBOL. So, I think this also takes into account the answer to question no. 2 about from where the dues will be paid. Depending on wherever the dues are from, they will be paid by those entities. The status of orders, again, wherever the orders are placed from, whichever unit or whichever group, whichever legal entity, the orders will be continued to be honored and if the POs have been issued before, they will probably be amended but there will be a complete continuity of business, that is also specified in the scheme of arrangement. So, I trust this would satisfy the creditors. Thank you.

Rahul Agarwal: Thank you. Now request Ms Aparna Goel, the Company Secretary to read out the resolution proposed in this meeting before the unsecured creditors. The unsecured creditors may again note that the e-voting module for voting during the meeting is already active and shall be kept enabled till 30 minutes from the conclusion of the meeting. Over to you Aparna.

Aparna Goel: Thank you, Sir. I hereby read the resolution.

“RESOLVED THAT pursuant to Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013 and rules made there under, Section 2(19AA) of the Income-tax Act, 1961, SEBI Master Circular No. SEBI/HO/CFD/ DIL1/CIR/P/2020/249 dated 22nd December, 2020 (**“SEBI Master Circular**) consolidating SEBI Circulars dated 10th March, 2017, 23rd March 2017, 26th May 2017, 21st September 2017, 3rd January, 2018, 12th September, 2019 and 3rd November, 2020 (collectively, the **“SEBI Circulars”**) on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957, the observation letters received from BSE Limited and National Stock Exchange of India Limited and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the National Company Law Tribunal, Allahabad Bench (**“NCLT”**) and subject to such other approvals, permissions and sanctions of regulatory

and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), consent of the unsecured creditors be and is hereby accorded to the transfer by way of demerger of all the undertakings, properties, activities, operations, investments, assets and liabilities and businesses, on a going concern basis, of the manufacturing units of sugar, chemicals and co-generation of power of the Company situated at Asmoli, district Sambhal, Mansurpur, district Muzaffarnagar and Meerganj, district Bareilly, all in the State of Uttar Pradesh (collectively referred to as “**Demerged Undertaking**”) of the Company, into Dhampur Bio Organics Limited (a wholly owned subsidiary of the Company) (“**Resulting Company**”), with effect from the Appointed Date(as defined in the Scheme), and issuance of the New Equity Shares (as defined in the Scheme) to all the shareholders of the Company as set out in the Scheme and cancellation of the existing share capital of the Resulting Company,in terms of the Scheme of Arrangement between the Company and Resulting Company and their respective shareholders and creditors (“Scheme”) as placed before this meeting.

RESOLVED FURTHER THAT the Scheme of Arrangement between Dhampur Sugar Mills Limited (Demerged Company) and Dhampur Bio Organics Limited (Resulting Company) and their respective shareholders and creditors which was circulated and placed before this meeting and all matters consequential, supplemental and/or otherwise integrally connected therewith as per the terms and conditions mentioned in the Scheme, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT and/ or any other authority(ies) while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and /or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper.”

Further, this resolution is placed before the meeting to be passed by the majority of unsecured creditors representing three-fourths in value. Unsecured creditors who have not cast their votes through remote e-voting or e-voting during the proceedings of the meeting are requested to kindly vote on the proposed resolution. The e-voting module is already active. The icon for e-voting is available on the screen, which will redirect you on a separate window to the e-voting portal of NSDL. The e-voting facility is active and will be closed after 30 minutes of the closure of this meeting. Now I request Chairman Sir to please take over and announce, with respect to the results of e-voting. Over to you Sir.

Rahul Agarwal- Thank you Aparna. Unsecured creditors may note that the results of the remote e-voting shall be downloaded by the scrutinizer who would prepare his report on the same. Thereafter, the scrutinizer will club the remote e-voting results with the results of the voting at today's meeting. The report, in a consolidated manner, prepared by the scrutinizer, shall be submitted to me and I shall then countersign the. Thereafter, the combined results would be announced or displayed through the website of the Company, i.e., www.dhampur.com and the NSDL at website www.evoting.nsdl.com, within 3 days from the conclusion of the meeting, and will be intimated to the stock exchanges where the securities of the Company are listed. Further, a copy of the same shall also be placed on the notice board at the registered office and the corporate office of the Company. The combined results would be treated as part of these proceedings. Additionally, I will submit a report to the honorable NCLT Allahabad Bench after incorporating the voting results as submitted by the scrutinizer in due course.

Dear unsecured creditors, as advised by the scrutinizers, all unsecured creditors who are participating in the meeting have been given adequate time and opportunity to vote at the meeting and therefore, this concludes the proceedings of the meeting. However, the e-voting facility will be kept open for another 30 minutes to enable unsecured creditors to cast their votes. I thank you all for participating in the meeting. Thank you very much.

Aparna Goel: Dear unsecured creditors, I thank you all for having spared your valuable time to attend this meeting. Thank you.