

SCHEME OF ARRANGEMENT
BETWEEN
ALT DIGITAL MEDIA ENTERTAINMENT LIMITED ('FIRST TRANSFEROR COMPANY')
AND
MARINATING FILMS PRIVATE LIMITED ('SECOND TRANSFEROR COMPANY')
AND
BALAJI TELEFILMS LIMITED ('TRANSFEEE COMPANY')
AND
THEIR RESPECTIVE SHAREHOLDERS
UNDER SECTIONS 230 TO 232 READ WITH SECTION 52, SECTION 66 AND OTHER
APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES AND
REGULATIONS FRAMED THEREUNDER

(A) PREAMBLE

1. This Composite Scheme of Arrangement (**'Scheme'**) is presented under Sections 230 to 232 read with Section 52, Section 66 and other applicable provisions of the Companies Act, 2013 and rules and regulations framed thereunder, and also read with Section 2(1B) and other applicable provisions of the Income-tax Act, 1961, for reorganization of reserves and reduction of share capital of ALT Digital Media Entertainment Limited (**'First Transferor Company'**), amalgamation of First Transferor Company, Marinating Films Private Limited (**'Second Transferor Company'**) (First Applicant Company and Second Applicant Company together referred to as the **'Transferor Companies'**) with Balaji Telefilms Limited (**'Transferee Company'**) and their respective shareholders and post-amalgamation, reorganization of reserves and adjustment of retained earnings of Transferee Company.
2. The Transferor Companies and the Transferee Company are hereinafter collectively referred to as the **"Companies"**.
3. This Scheme provides for the following:
 - a) Reorganization of reserves and reduction of equity share capital of the First Transferor Company;
 - b) The amalgamation of the Transferor Companies with Transferee Company on a going concern basis and consequent dissolution of the Transferor Companies without winding up;

- c) Reorganization of reserves and adjustment of retained earnings of the Transferee Company post amalgamation;
- d) Various other matters consequential, supplemental and / or otherwise integrally connected therewith.

(B) DESCRIPTION OF COMPANIES:

1. **Balaji Telefilms Limited ('Transferee Company')** is a public company incorporated under the provisions of the Companies Act, 1956, on November 10, 1994. The equity shares of the Transferee Company are listed in India on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'). The Corporate Identification Number of the Transferee Company is L99999MH1994PLC082802. The registered office of the Transferee Company is situated at C-13, Balaji House, Dalia Industrial Estate, Opposite Laxmi Industrial Estate, New Link Road, Andheri-West, Mumbai - 400053 in the state of Maharashtra. The Transferee Company is engaged in the business of production and creation of films and television content in India particularly in Hindi language. The Transferee Company is also engaged in business of production of television content in regional languages, and in event organization business.
2. **ALT Digital Media Entertainment Limited ('First Transferor Company')** is a public company incorporated on July 1, 2015, under the provisions of Companies Act, 2013. The First Transferor Company is a wholly owned subsidiary of the Transferee Company. The Corporate Identification Number of the First Transferor Company is U74999MH2015PLC266206. The registered office of the First Transferor Company is situated at C-13, Balaji House, Dalia Industrial Estate, Opposite Laxmi Industrial Estate, New Link Road, Andheri-West, Mumbai - 400053 in the state of Maharashtra. The First Transferor Company is engaged in the business of production of movies and web-series, and telecasting / broadcasting the same through a subscription-based video on demand (SVOD) over the top (OTT) platform operated under the name "ALTT". The First Transferor Company is also engaged in the B2B business of providing content creation services to third-parties.
3. **Marinating Films Private Limited ('Second Transferor Company')** is a private company incorporated on August 16, 2011 under the provisions of erstwhile Companies Act, 1956. The Second Transferor Company is a wholly owned subsidiary of the Transferee Company. The Corporate Identification Number of the Second Transferor Company is

U74120MH2011PTC220971. The registered office of the Second Transferor Company is situated at C-13, Balaji House, Dalia Industrial Estate, Opposite Laxmi Industrial Estate, New Link Road, Andheri-West, Mumbai - 400053 in the state of Maharashtra. The Second Transferor Company is engaged in the business of production of reality shows, web-series and organizing events.

(C) RATIONALE FOR THE SCHEME:

The Composite Scheme of Arrangement would help in reorganization of reserves and reduction of Equity Share Capital of the First Transferor Company and consolidating and effectively managing the business of the Companies in a single entity, which will provide several benefits including synergy, economies of scale, attain efficiencies, cost competitiveness, etc. Various benefits arising pursuant to the Scheme are enlisted below:

Benefits in respect of reorganization of reserves and reduction of equity capital of the First Transferor Company

1. The First Transferor Company shall be able to represent its true and fair financial position; and
2. This Scheme would not have any impact on the shareholding pattern of the First Transferor Company, since it is a wholly-owned subsidiary of Transferee Company.

Benefits in respect of amalgamation of the Transferor Companies with the Transferee Company

1. The Transferor Companies are wholly owned subsidiaries of the Transferee Company, so merger will help to consolidate the multiple entities into a single legal entity. Further, the Transferor Companies and the Transferee Company are engaged in similar line of businesses related to production and distribution of contents on various platforms. The merger would enable management focus and combined synergies for various projects;
2. The merger will provide a greater efficiency in the overall combined business including economies of scale, efficiency of operations, operational rationalization, organizational efficiency, cash flow management and unfettered access to cash flow generated by the combined business which can be deployed more effectively for the purpose of development of

- businesses of combined entity and their growth opportunities, eliminate inter corporate dependencies, minimize administrative compliances and to maximize shareholder value;
3. The merger will result in enhancement of net worth of the combined business to capitalize on future growth potential, optimal utilization of resources;
 4. The merger will result in a reduction in the overheads including administrative, managerial and other expenditure, and optimal utilization of resources by elimination, and avoiding of unnecessary duplication of activities and related costs. It will also result in a reduction in the multiplicity of legal and regulatory compliances required at present to be separately carried out by each of the Transferor Companies and the Transferee Company;
 5. The merger would motivate employees of the Transferor Companies by providing better opportunities to scale up their performance with a larger corporate entity having large revenue base, resources, assets base etc. which will boost employee morale and provide better corporate performance ultimately enhancing shareholder value;
 6. The merger will help in achieving operational efficiencies and management efficiencies;
 7. The other operational benefits due to merger are as follows: -
 - a) Optimize the resources at consolidated entity level to facilitate greater ability of the Transferee Company to raise financial resources for future expansion;
 - b) Reducing operational and compliance cost;
 - c) Elimination of duplicative communication and coordination efforts across multiple entities and pooling of resources as well as optimum utilization of resources;
 - d) Simplification of group structure under common management; and
 - e) Economies of scale, greater integration, flexibility and market reach for the amalgamated entity.

Further, there is no adverse effect of this Scheme on the Directors, Key Managerial Personnel, Promoters, Non-promoter Members, Creditors, and employees of the Companies and the same would be in the best interest of all stakeholders.

Benefits in respect of reorganization of reserves and adjustment of retained earnings of Transferee Company

1. The Transferee Company shall be able to represent its true and fair financial position;

(D) TREATMENT OF THE SCHEME FOR THE PURPOSE OF THE INCOME-TAX ACT, 1961

The provisions of this Scheme relating to the amalgamation of the Transferor Companies into Transferee Company, have been drawn up to comply with the conditions relating to “Amalgamation” as presently defined under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section 2(1B) of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income-tax Act, 1961 (including any amendments or substitutions thereof). Such modification will, however, not affect the other parts of the Scheme.

(E) PARTS OF THE SCHEME

The Scheme is divided into the following parts:

1. **Part I** deals with the definitions, interpretations and the share capital of the Transferee Company and the Transferor Companies;
2. **PART II** deals with adjustment of accumulated losses as per books of accounts of the First Transferor Company with securities premium reserve and paid-up equity share capital appearing in the books of accounts of the First Transferor Company;
3. **Part III** deals with Amalgamation of the First Transferor Company with the Transferee Company and other related matters;
4. **Part IV** deals with Amalgamation of the Second Transferor Company with the Transferee Company and other related matters;
5. **PART V** deals with adjustment of Amalgamation Adjustment Deficit Account as per books of accounts of the Transferee Company with securities premium reserve and retained earnings appearing in the books of accounts of the Transferee Company;
6. **Part VI** deals with the General Clauses, Terms and Conditions that would be applicable to this Scheme.

PART I – DEFINITIONS, INTERPRETATIONS AND SHARE CAPITAL

1. DEFINITIONS

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

- 1.1 **“Accounting Standards”** means (i) the Indian Accounting Standards as notified under Section 133 of the Act read together with the Companies (Indian Accounting Standard) Rules, 2015 as amended from time to time and to the extent in force; and (ii) the relevant provisions of the Act.
- 1.2 **“Act” or “the Act”** means the Companies Act, 2013, and ordinances, rules and regulations made thereunder, and shall include any statutory modifications, re-enactments, or amendments thereof for the time being in force. References in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 2013, unless stated otherwise.
- 1.3 **“Amalgamation”** means the term ‘Amalgamation’ as defined under section 2(1B) of the Income-tax Act, 1961.
- 1.4 **“Applicable Law”** means any Statute, Notification, Bye Laws, Rules, Regulations, Guidelines, Rule of Common Law, Policy, Code, Directives, Ordinance, Schemes, Notices, Orders or Instructions having the force of law enacted or issued by any Appropriate Authority including any statutory modification or re-enactment thereof for the time being in force in India.
- 1.5 **“Appointed Date”** for this Scheme means April 1, 2024 or such other date as may be directed by the Hon’ble National Company Law Tribunal, Mumbai Bench or any other Appropriate Authority.
- 1.6 **“Appropriate Authority” or “Governmental Authority”** means and includes any **applicable** Central, State or Local Government, Legislative Body, Regulatory or Administrative Authority, Registrar of Companies, Regional Director, Securities and Exchange Board of India, Stock Exchanges, Reserve Bank of India, Agency or Commission or any Court, Tribunal, Board, Bureau or Instrumentality thereof or Arbitration or Arbitral Body having jurisdiction on behalf of the Republic of India or any State or Province or other Political Subdivision thereof or in any other

Nation over First Transferor Company or Second Transferor Company or Transferee Company, as the context may require.

- 1.7 **“Board of Directors”** or **“Board”** means the Board of Directors of the Transferor Companies and Transferee Company and shall include any committee or sub-committee or any person(s) appointed and authorized by the respective Board of Directors for the purposes of matters pertaining to this Scheme or any other matter relating thereto.
- 1.8 **“CIN”** means Corporate Identification Number.
- 1.9 **“Effective Date”** means the last of the dates on which all the actions (taken together) set out under Clause 26 (Scheme Conditional On Approvals/ Sanctions) stand satisfied by the Transferor Companies and the Transferee Company. References in this Scheme to the **“Upon coming into effect of this Scheme”** or **“effectiveness of this Scheme”** or **“Scheme becoming effective”** shall mean the Effective Date.
- 1.10 **“Encumbrance”** means any mortgage, pledge, equitable interest, assignment by way of security, conditional sales contract, hypothecation, right of other persons, claim, security interest, encumbrance, title defect, title retention agreement, voting trust agreement, interest, option, lien, charge, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of set off, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same and the term **“Encumbered”** shall be construed accordingly.
- 1.11 **“First Transferor Company”** means Alt Digital Media Entertainment Limited, having CIN U74999MH2015PLC266206, a company incorporated on July 1, 2015 under the Companies Act, 2013, having its registered office at C-13, Balaji House, Dalia Industrial Estate, Opposite Laxmi Industrial Estate, New Link Road, Andheri-West, Mumbai - 400 053 in the state of Maharashtra.
- 1.12 **“Intellectual Property”** shall mean all forms of intellectual property subsisting under the laws of India and all analogous rights subsisting under the laws of each and every jurisdiction throughout the world. Intellectual Property includes patents, trademarks, service marks, trade names, registered designs, copyrights, audio visual content (such as movies, television series, web series, music etc.),

musical compositions, scripts, dialogues, lyrics, domain name, software, source code, databases, rights of privacy and publicity, and other forms or intellectual or industrial property, know how, inventions, formulae, confidential or secret processes, trade secrets, any other protected rights or assets, and any licenses and permission in connection therewith, in each and any part of the world and whether or not registered or registrable and for the full period thereof, and all extensions and renewals thereof, and all applications for registration in connection with the foregoing.

- 1.13 **“Intellectual Property Rights”** shall mean all rights arising out of or in relation to Intellectual Property.
- 1.14 **“Legal Proceedings”** means proceedings of whatsoever nature, civil or criminal, including any notices, disputes, suits, actions, appeals, arbitrations, execution proceedings, revisions, writ petitions, suits and taxation proceedings, pending before any Court, statutory or quasi-judicial authority or tribunal.
- 1.15 **“Registrar of Companies”** means the Registrar of Companies, Mumbai, Maharashtra having jurisdiction over the Transferor Companies and the Transferee Company.
- 1.16 **“Scheme” or “the Scheme” or “this Scheme”** means this Composite Scheme of Arrangement in its present form or with any modification(s) or amendments made under Clause 25 of Part VI of this Scheme as approved or directed by the NCLT or such other Competent Authority, as may be applicable.
- 1.17 **“SEBI”** means Securities and Exchange Board of India
- 1.18 **“SEBI Master Circular” or “SEBI Circular”** means SEBI Circular No. SEBI/HO/CFD/POD-2/P/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;
- 1.19 **“Second Transferor Company”** means Marinating Films Private Limited, having CIN U74120MH2011PTC220971, a company incorporated on August 16, 2011, under the Companies Act, 1956, having its registered office at C-13, Balaji House, Dalia Industrial Estate, Opposite Laxmi Industrial Estate, New Link Road, Andheri-West, Mumbai - 400 053 in the state of Maharashtra.

- 1.20 **“Stock Exchanges”** means BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).
- 1.21 **“Transferee Company”** means Balaji Telefilms Limited, having CIN L99999MH1994PLC082802, a company incorporated on November 10, 1994 under the Companies Act, 1956, having registered office at C-13, Balaji House, Dalia Industrial Estate, Opposite Laxmi Industrial Estate, New Link Road, Andheri-West, Mumbai - 400 053 in the state of Maharashtra.
- 1.22 **“Transferor Companies”** means collectively the First and Second Transferor Companies. Reference to Transferor Companies shall include, where the context so requires to each Transferor Company.
- 1.23 **“Tribunal” or “NCLT”** means the Hon’ble National Company Law Tribunal having jurisdiction in relation to each of the companies under this Scheme and shall be deemed to include, if applicable, a reference to such other forum or authority which may be vested with any of the powers of the NCLT to sanction the Scheme under the Act.

2. INTERPRETATIONS

In this Scheme, unless the context otherwise requires: -

- 2.1 The singular shall include the plural and vice versa, and references to one gender include all genders.
- 2.2 References to a person include any individual, firm, body corporate (whether incorporated or not), Government, State or Agency of a State or any Joint Venture, Person's Legal Heirs, Administrators, Executors, Liquidators, Successors, Successors-in-interest and permitted Assigns, as the case may be.
- 2.3 Reference to any law or to any provision thereof or to any rule or regulation promulgated thereunder includes a reference to such law, provision, rule or regulation as it may, from time to time, be amended, supplemented or re-enacted, or to any law, provision, rule or regulation that replaces it.

- 2.4 All terms and words not defined in this scheme shall unless repugnant or contrary to the context or meaning thereof, have the same meaning as prescribed to them under the Act, Income-tax Act, 1961, or any other applicable laws, rules, regulations, bye laws, as may be including any statutory modification or enactment thereof from time to time.
- 2.5 Headings, sub-headings, titles, subtitles to clauses, sub-clauses, paragraphs and bold typeface are only for information and convenience and shall be ignored for the purposes of interpretation.
- 2.6 References to the word “include” or “including” shall be construed without limitation.
- 2.7 A reference to an article, clause, section or paragraph is, unless indicated to the contrary, a reference to an article, clause, section or paragraph of this Scheme;
- 2.8 Unless otherwise defined, the reference to the word “days” shall mean calendar days.
- 2.9 References to dates and times shall be construed to be references to Indian dates and times.
- 2.10 Reference to a document includes an amendment or supplement to, or replacement or novation of, that document.
- 2.11 References to a person include any individual, firm, body corporate (whether incorporated or not), government, state or agency of a state or any joint venture, association, partnership, works councilor employee representatives body (whether or not having separate legal personality).
- 2.12 References to any of the terms taxes, duty, levy, cess in the Scheme shall be construed as reference to all of them whether jointly or severally.
- 2.13 Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them.
- 2.14 Any reference to any statute or statutory provision shall include:

- a) all subordinate legislations made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment; and
- b) such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the filing of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the matters contemplated under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

3.1 The Composite Scheme as set out herein in its present form or with any modification(s) or amendment(s) approved or imposed or directed by the NCLT or any other Appropriate Authority shall be effective from the Appointed Date, but shall be operative from the Effective Date. The various parts of the Scheme shall be deemed to have taken effect in following sequence:

- a) Firstly, Part II of the Scheme shall be deemed to have taken effect, prior to Part III, Part IV, and Part V of the Scheme;
- b) Thereafter, Part III of the Scheme shall be deemed to have taken effect, after Part II of the Scheme and prior to Part IV and Part V of the Scheme;
- c) Thereafter, Part IV of the Scheme shall be deemed to have taken effect, after Part II and Part III of the Scheme and prior to Part V of the Scheme.
- d) Thereafter, Part V of the Scheme shall be deemed to have taken effect, after Part II, Part III, and Part IV of the Scheme

4. SHARE CAPITAL

4.1 The share capital of the Transferee Company as on 31st March 2024 is as under:

Share Capital	Amount (in INR)
<u>Authorized Share Capital</u>	
15,00,00,000 Equity Shares of INR 2/- each	30,00,00,000
3,00,00,000 Preference Shares of INR 2/- each	6,00,00,000

Share Capital	Amount (in INR)
Total	36,00,00,000
<u>Issued, Subscribed and Paid-up Share Capital</u>	
10,15,28,968 Equity Shares of INR 2/- each	20,30,57,986
Total	20,30,57,986

Subsequent to 31st March 2024, there has been no change in the Authorized, Issued and Paid-Up Share Capital of the Transferee Company.

Apart from above, as on 31st March 2024, the Transferee Company has 33,46,272 number of outstanding stock options which are issued to employees under its Employee Stock Option Plan viz. Balaji Telefilms ESOP, 2017 and Balaji Telefilms ESOP Scheme, 2023.

4.2 The share capital of the First Transferor Company as on 31st March 2024, is as under: -

Share Capital	Amount (in INR)
<u>Authorized Share Capital</u>	
1,00,00,00,000 Equity Shares of INR 10/- each	10,00,00,00,000
2,00,000 Preference Shares of INR 10/- each	20,00,000
Total	10,00,20,00,000
<u>Issued, Subscribed and Paid-up Share Capital</u>	
69,46,45,893 Equity Shares of INR 10/- each, fully paid-up	6,94,64,58,930
Total	6,94,64,58,930

The entire paid-up share capital of the First Transferor Company is held by the Transferee Company i.e. the First Transferor Company is a wholly owned subsidiary of the Transferee Company. Subsequent to the 31st March 2024, there has been no change in the Authorized, Issued and Paid-Up Share Capital of the First Transferor Company.

4.3 The share capital of the Second Transferor Company as on 31st March 2024 is as under: -

Share Capital	Amount (in INR)
<u>Authorized Share Capital</u>	
1,05,50,000 Equity Shares of INR 10/- each	10,55,00,000

Share Capital	Amount (in INR)
44,50,000 Redeemable Preference Shares of INR 10/- each	4,45,00,000
Total	15,00,00,000
<u>Issued, Subscribed and Paid-up Share Capital</u>	
44,60,000 Equity Shares of INR 10/- each	4,46,00,000
Total	4,46,00,000

The entire paid-up share capital of the Second Transferor Company is held by the Transferee Company i.e. the Second Transferor Company is a wholly owned subsidiary of the Transferee Company. Subsequent to the 31st March 2024, there has been no change in the Authorized, Issued and Paid-Up Share Capital of the Second Transferor Company.

The Second Transferor Company has also issued 32,50,000 Zero Percent Compulsorily Convertible Debentures (CCD) of INR 10 each to the Transferee Company.

**PART II - ADJUSTMENT OF ACCUMULATED LOSSES WITH SECURITIES PREMIUM
RESERVE AND PAID-UP EQUITY SHARE CAPITAL AND OF THE FIRST TRANSFEROR
COMPANY**

**5. CAPITAL REDUCTION BY WAY OF ADJUSTMENT OF ACCUMULATED LOSSES
WITH PAID-UP EQUITY SHARE CAPITAL AND SECURITIES PREMIUM RESERVE**

- 5.1. As per section 230 read with section 52 and section 66 of the Act, upon the Scheme becoming effective, and with effect from the Appointed Date, the paid-up equity share capital and securities premium account of the First Transferor Company shall be reduced in the following manner:
- a) The opening debit balance of the profit and loss account appearing in the books of accounts of the First Transferor Company as on the Appointed Date (appearing as ‘Deficit in Statement of Profit and Loss’), representing accumulated losses of the First Transferor Company shall be adjusted against the opening credit balance of securities premium account of the First Transferor Company as on the Appointed Date, to the extent of balance available in the said securities premium account.
 - b) Post the adjustment referred to in clause (a) above, the residual opening debit balance, if any, in the profit and loss account in the books of accounts of the First Transferor Company as on the Appointed Date (appearing as ‘Deficit in Statement of Profit and Loss’) shall be adjusted against the opening balance in paid-up equity share capital of the First Transferor Company as on the Appointed Date by cancelling such number of equity shares of the First Transferor Company at their face value as may be required for such adjustment.
- 5.2. The reduction of paid-up equity share capital and securities premium reserve as aforesaid would not involve diminution of liability in respect of unpaid share capital, if any. The proposed reduction would not in any way adversely affect the operations of the First Transferor Company or the ability of the First Transferor Company to honor its commitment or to pay its debts in ordinary course of business. Further, no compromise or arrangement is contemplated to be made with the creditors of the First Transferor Company under the Scheme.
- 5.3. Notwithstanding the aforesaid reduction, the First Transferor Company will not be required to add the suffix “And Reduced” to its name.

- 5.4. The extinguishment and cancellation of equity shares and preference shares in the manner stated above shall be effected as an integral part of the Scheme and the order of the NCLT sanctioning the Scheme under Section 230 to 232 of the Act shall be deemed to be an order under Section 66 and other applicable provisions of the Act and no separate sanction under Section 66 and other applicable provisions of the Act will be necessary.
- 5.5. This Part of the Scheme does not envisage transfer or vesting of any of the properties and/ or liabilities of the First Transferor Company to or in any Person and consequently, the order of the Tribunal to the extent of this Part of the Scheme will not attract any stamp duty.
- 5.6. The First Transferor Company submits that the proposed reduction of capital as above is in conformity with and does not violate or circumscribe any provision of the Act.

6. ACCOUNTING TREATMENT

- 6.1. On Part II of this Scheme becoming effective, the First Transferor Company shall prior to giving effect of clause 9 of Part III and clause 14 of Part V of the Scheme, account for capital reduction in its books of account in accordance with Section 66 read with Section 52 of the Act and applicable rules and regulations made thereunder:
 - a) The opening debit balance in 'Deficit in Statement of Profit and Loss' in the books of the First Transferor Company shall be adjusted against the corresponding opening credit balance in the securities premium account of the First Transferor Company, to the extent of balance available in the said securities premium account; and
 - b) Post giving effect to adjustments as required in accordance with Clause 5.1(a) of the Scheme, the residual opening debit balance in 'Deficit in Statement of Profit and Loss', if any, in the books of the First Transferor Company shall be adjusted against opening credit balance of paid-up equity share capital of the First Transferor Company.

**PART III - AMALGAMATION OF THE FIRST TRANSFEROR COMPANY WITH THE
TRANSFeree COMPANY AND OTHER RELATED MATTERS;**

7. AMALGAMATION OF THE FIRST TRANSFEROR COMPANY WITH THE TRANSFeree COMPANY

7.1. Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, the entire business of the First Transferor Company shall under the provisions of Section 230 to 232 and other applicable provisions, if any, of the Act, and pursuant to the orders of the Tribunal or other Appropriate Authority, if any, sanctioning the Scheme shall without any further act, deed, matter or thing stand transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and liabilities of the Transferee Company in accordance with the provisions of Section 2(1B) of the Income-tax Act, 1961.

7.2. Upon coming into effect of this Scheme and with effect from the Appointed Date, the whole of the business of the First Transferor Company, as a going concern, including its business, all secured and unsecured debts liabilities, duties and obligations and all the assets, properties, rights, titles and benefits, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed) all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, sundry debtors, investments which includes shares, bonds, securities and mutual funds, reserves, provisions, funds, licenses, brands, registrations, all Intellectual Properties and Intellectual Property Rights including copyrights, designs, patents, trade and service names, trademarks and other rights and licenses in respect thereof, applications for copyrights, patents, trademarks, business information, marketing and distribution channels, trade secrets, know how, client records, KYC (know your customer) records/ POAs (power of attorney), other intellectual property rights, leases, licenses, tenancy rights, premise, ownership flats, hire purchase and lease arrangements, lending arrangements, joint venture agreements, benefits of security arrangements, computers, furniture & fixtures and office equipment, electric fitting, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all rights, title, interest, goodwill, benefit

and advantage, deposits, reserves, provisions, advances, receivables, deposits, funds, cash, bank balances accounts and all other rights, benefits of all agreements, subsidies, grants, tax credits including but not limited to benefits of tax relief including under the Income-tax Act, 1961 such as set-off of accumulated business loss and unabsorbed depreciation, credit for advance tax, minimum alternate tax ('MAT'), taxes deducted at source, taxes collected at source, MAT credit under Section 115JAA of Income-tax Act, 1961 etc., benefits under the sales tax laws of the respective states, sales tax set off, benefits of any unutilised MODVAT/CENVAT/Service tax credits, unutilised input tax credit of Central Goods and Services Tax ('CGST'), Integrated Goods and Services Tax ('IGST'), State Goods and Services Tax ('SGST'), Goods and Services Tax Compensation Cess ('GST Compensation Cess') etc., the unabsorbed business brought forward losses and unabsorbed depreciation as per the books of accounts, the accumulated business loss and unabsorbed depreciation which is eligible to be set-off under the provisions of Income-tax Act, 1961, software license, domain / website etc. all files, papers, records engineering and catalogues, data quotations sales / advertisement materials and former customers (price information) / suppliers (credit information) other records whether in physical, electronic form in connection / relating to the First Transferor Company and other claims and powers, of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the First Transferor Company, whether in India or abroad as on the Appointed Date, shall, under the provisions of Section 230 to 232 of the Act and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become from the Appointed Date, the business of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the First Transferor Company therein. 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, pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly.

- 7.3. Upon coming into effect of this Scheme and with effect from the Appointed Date, any statutory licences, permissions, consents, licences, permits, authorisations, rights, clarifications, clearances, confirmations, declarations, waivers, exemptions, concessions, incentives, no-objections, in-principle approvals, registrations, filings, whether governmental, statutory, regulatory or otherwise approvals, quotas or consents to carry on the respective operations and business of the First Transferor Company shall stand vested in or transferred to the Transferee Company without any

further act or deed and shall be appropriately mutated by the Statutory Authorities concerned in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, factory licences, environmental approvals and consents, sales tax, service tax, excise registrations, CGST, SGST, IGST or other licences and consents shall vest in and shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if instead of the First Transferor Company, the Transferee Company had been the party thereto or the beneficiary or obligee thereof pursuant to this Scheme. In so far as the various incentives, subsidies, rehabilitation Schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the First Transferor Company, as the case may be, are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

- 7.4. Upon coming into effect of this Scheme and with effect from the Appointed Date, all respective debts, liabilities (including contingent liabilities), duties and obligations of every kind, nature and description of the First Transferor Company, shall be deemed to have been transferred to the Transferee Company and to the extent they are outstanding on the Effective Date shall, without any further act, deed, matter or thing be and stand transferred to the Transferee Company and shall become the liabilities and obligations 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 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.
- 7.5. Where any of the respective debts, liabilities (including contingent liabilities), duties and obligations of the First Transferor Company as on the Appointed Date, deemed to be transferred to the Transferee Company have been discharged by the First Transferor Company, 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 and obligations incurred by the First Transferor Company 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 and obligations 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 contract or arrangement by virtue of which such loans and liabilities have arisen in order to give effect to the provisions of this Clause.

- 7.6. All the assets and properties which are acquired by the First Transferor Company, on or after the Appointed Date but prior to the Effective Date shall be deemed to be and shall become the assets and properties of the Transferee Company and shall under the provisions of Section 230 to 232 and all other applicable provisions if any of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Section 230 to 232 of the Act.
- 7.7. All inter-company transactions including loans, advances and other obligations if any, due or which may at any time in future become due between the First Transferor Company and the Transferee Company shall stand cancelled and there shall be no liability in that behalf on either party.
- 7.8. The transfer and vesting of the entire business of the First Transferor Company as aforesaid shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the property and assets or any part thereof to the extent such securities, charges, mortgages, encumbrances, lien including negative lien, are created to secure the liabilities forming part of the First Transferor Company. Provided always that this Scheme shall not operate to enlarge the scope of securities, charges, mortgages, encumbrances, lien including negative lien for any loan, deposit or facility availed of by the First Transferor Company and the Transferee Company shall not be obliged to create or provide any further or additional security therefore after the Effective Date or otherwise.
- 7.9. Without prejudice to the provisions of the foregoing clauses and upon the effectiveness of this Scheme, the First Transferor Company and the Transferee Company shall have right to execute all such instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, necessary applications, notices, intimations or letters with the Registrar of Companies, Mumbai or any Appropriate Authority or Person to give effect to the Scheme. Any procedural requirements required to be fulfilled solely by the First Transferor Company shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the First Transferor Company.

- 7.10. The provisions of this Scheme as they relate to the amalgamation of the Transferor Company into Transferee Company, have been drawn up to comply with the conditions relating to “Amalgamation” as defined under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961, or any amendments or substitutions thereof. Such modification will, however, not affect the other parts of the Scheme.
- 7.11. Upon the Scheme being sanctioned and taking effect, the Transferee Company shall be entitled to operate all bank accounts related to the First Transferor Company and all cheques, drafts, pay orders, direct and indirect tax balances and/or payment advices of any kind or description issued in favour of the First Transferor Company, either before or after the Appointed Date, or in future, may be deposited with the Bank of the Transferee Company and credit of all receipts there-under will be given in the accounts of the Transferee Company.

8. CONSIDERATION

- 8.1. For the purposes of this Scheme, it is hereby clarified that the equity shares in the First Transferor Company are entirely held by the Transferee Company and its nominees. Thus, upon the Scheme becoming effective, neither any consideration will be paid, nor any shares shall be issued by the Transferee Company to the shareholders of the First Transferor Company.
- 8.2. Upon the Scheme becoming effective, all equity shares of the First Transferor Company held by the Transferee Company along with its nominees, shall stand cancelled without any further application, act, instrument or deed and be of no effect without any necessity of them being surrendered.

9. ACCOUNTING TREATMENT

- 9.1. The provisions of the Indian Accounting Standard (Ind AS) 103, Business Combinations, or such other accounting standard as applicable from time to time will be complied with to the extent applicable to this Scheme.

- 9.2. The amalgamation of First Transferor Company with the Transferee Company shall be accounted for in accordance with the “Pooling of Interest Method” of accounting as laid down in Appendix C of Ind AS 103 (Business combinations of entities under common control) and / or any other applicable Ind AS, as the case may be, as notified under section 133 of the Act read with relevant rules issued thereunder.
- 9.3. Upon the Scheme coming into effect, the Transferee Company shall account for the amalgamation in its books as under:
- a) All the assets and liabilities recorded in the books of the First Transferor Company, after giving effect to the Accounting Treatment prescribed in clause 6 of this Scheme, shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their respective carrying amounts as appearing in its consolidated financial statements.
 - b) All the reserves of the First Transferor Company as on the Appointed Date, after giving effect to the Accounting Treatment prescribed in clause 6 of this Scheme, under different heads shall become the corresponding reserves of the Transferee Company. The identity of the reserves of the First Transferor Company shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner as appearing in its consolidated financial statements.
 - c) Inter-company balances including loans and advances, if any, shall be eliminated.
 - d) The investment in the First Transferor Company (which includes Capital contribution on account of employee stock option plan) as appearing in the books of account of the Transferee Company, shall stand cancelled and there shall be no further obligation in that behalf. The aforesaid investment shall be adjusted against (i) the paid-up equity share capital of the First Transferor Company, after giving effect in the books of the First Transferor Company, to the Accounting Treatment prescribed in clause 6 of this Scheme and (ii) ‘Contributed equity on account of employee stock options’ in the books of the First Transferor Company.

- e) In case of any differences in the accounting policies between the First Transferor Company and the Transferee Company, the accounting policies followed by the Transferee company shall prevail to ensure that the financial statements of the Transferee Company reflect the true financial position on the basis of consistent accounting policies.
- f) The difference, if any, arising after taking the effect of above clauses, shall be adjusted to the debit of capital reserve as 'Amalgamation Adjustment Deficit Account'.
- g) As required by Ind AS 103, notwithstanding anything stated in para (a) to (f) above, the financial information in the financial statements in respect of prior periods will be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

**PART IV - AMALGAMATION OF THE SECOND TRANSFEROR COMPANY WITH THE
TRANSFeree COMPANY AND OTHER RELATED MATTERS**

10. AMALGAMATION OF THE SECOND TRANSFEROR COMPANY WITH THE TRANSFeree COMPANY

- 10.1. Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, the entire business of the Second Transferor Company shall under the provisions of Section 230 to 232 and other applicable provisions, if any, of the Act, and pursuant to the orders of the Tribunal or other Appropriate Authority, if any, sanctioning the Scheme shall without any further act, deed, matter or thing stand transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and liabilities of the Transferee Company in accordance with the provisions of Section 2(1B) of the Income-tax Act, 1961.
- 10.2. Upon coming into effect of this Scheme and with effect from the Appointed Date, the whole of the business of the Second Transferor Company, as a going concern, including its business, all secured and unsecured debts liabilities, duties and obligations and all the assets, properties, rights, titles and benefits, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed) all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, sundry debtors, investments which includes shares, bonds, securities and mutual funds, reserves, provisions, funds, licenses, brands, registrations, all Intellectual Properties and Intellectual Property Rights including copyrights, designs, patents, trade and service names, trademarks and other rights and licenses in respect thereof, applications for copyrights, patents, trademarks, business information, marketing and distribution channels, trade secrets, know how, client records, KYC (know your customer) records/ POAs (power of attorney), other intellectual property rights, leases, licenses, tenancy rights, premise, ownership flats, hire purchase and lease arrangements, lending arrangements, joint venture agreements, benefits of security arrangements, computers, furniture & fixtures and office equipment, electric fitting, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all rights, title, interest, goodwill, benefit

and advantage, deposits, reserves, provisions, advances, receivables, deposits, funds, cash, bank balances accounts and all other rights, benefits of all agreements, subsidies, grants, tax credits including but not limited to benefits of tax relief including under the Income-tax Act, 1961 such as set-off of accumulated business loss and unabsorbed depreciation, credit for advance tax, minimum alternate tax ('MAT'), taxes deducted at source, taxes collected at source, MAT credit under Section 115JAA of Income-tax Act, 1961 etc., benefits under the sales tax laws of the respective states, sales tax set off, benefits of any unutilised MODVAT/CENVAT/Service tax credits, unutilised input tax credit of Central Goods and Services Tax ('CGST'), Integrated Goods and Services Tax ('IGST'), State Goods and Services Tax ('SGST'), Goods and Services Tax Compensation Cess ('GST Compensation Cess') etc., the unabsorbed business brought forward losses and unabsorbed depreciation as per the books of accounts, the accumulated business loss and unabsorbed depreciation which is eligible to be set-off under the provisions of Income-tax Act, 1961, software license, domain / website etc. all files, papers, records engineering and catalogues, data quotations sales / advertisement materials and former customers (price information) / suppliers (credit information) other records whether in physical, electronic form in connection / relating to the Second Transferor Company and other claims and powers, of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Second Transferor Company, whether in India or abroad as on the Appointed Date, shall, under the provisions of Section 230 to 232 of the Act and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become from the Appointed Date, the business of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Second Transferor Company therein. 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, pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly.

- 10.3. Upon coming into effect of this Scheme and with effect from the Appointed Date, any statutory licences, permissions, consents, licences, permits, authorisations, rights, clarifications, clearances, confirmations, declarations, waivers, exemptions, concessions, incentives, no-objections, in-principle approvals, registrations, filings, whether governmental, statutory, regulatory or otherwise approvals, quotas or consents to carry on the respective operations and business of the Second Transferor Company shall stand vested in or transferred to the Transferee Company without any

further act or deed and shall be appropriately mutated by the Statutory Authorities concerned in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, factory licences, environmental approvals and consents, sales tax, service tax, excise registrations, CGST, SGST, IGST or other licences and consents shall vest in and shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if instead of the Second Transferor Company, the Transferee Company had been the party thereto or the beneficiary or obligee thereof pursuant to this Scheme. In so far as the various incentives, subsidies, rehabilitation Schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Second Transferor Company, as the case may be, are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

- 10.4. Upon coming into effect of this Scheme and with effect from the Appointed Date, all respective debts, liabilities (including contingent liabilities), duties and obligations of every kind, nature and description of the Second Transferor Company, shall be deemed to have been transferred to the Transferee Company and to the extent they are outstanding on the Effective Date shall, without any further act, deed, matter or thing be and stand transferred to the Transferee Company and shall become the liabilities and obligations 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 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.
- 10.5. Where any of the respective debts, liabilities (including contingent liabilities), duties and obligations of the Second Transferor Company as on the Appointed Date, deemed to be transferred to the Transferee Company have been discharged by the Second Transferor Company, 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 and obligations incurred by the Second Transferor Company 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 and obligations 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 contract or arrangement by virtue of which such loans and liabilities have arisen in order to give effect to the provisions of this Clause.

- 10.6. All the assets and properties which are acquired by the Second Transferor Company, on or after the Appointed Date but prior to the Effective Date shall be deemed to be and shall become the assets and properties of the Transferee Company and shall under the provisions of Section 230 to 232 and all other applicable provisions if any of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Section 230 to 232 of the Act.
- 10.7. All inter-company transactions including loans, advances and other obligations if any, due or which may at any time in future become due between the Second Transferor Company and the Transferee Company shall stand cancelled and there shall be no liability in that behalf on either party.
- 10.8. The transfer and vesting of the entire business of the Second Transferor Company as aforesaid shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the property and assets or any part thereof to the extent such securities, charges, mortgages, encumbrances, lien including negative lien, are created to secure the liabilities forming part of the Second Transferor Company. Provided always that this Scheme shall not operate to enlarge the scope of securities, charges, mortgages, encumbrances, lien including negative lien for any loan, deposit or facility availed of by the Second Transferor Company and the Transferee Company shall not be obliged to create or provide any further or additional security therefore after the Effective Date or otherwise.
- 10.9. Without prejudice to the provisions of the foregoing clauses and upon the effectiveness of this Scheme, the Second Transferor Company and the Transferee Company shall have right to execute all such instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, necessary applications, notices, intimations or letters with the Registrar of Companies, Mumbai or any Appropriate Authority or Person to give effect to the Scheme. Any procedural requirements required to be fulfilled solely by the Second Transferor Company shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Second Transferor Company.

- 10.10. The provisions of this Scheme as they relate to the amalgamation of the Transferor Company into Transferee Company, have been drawn up to comply with the conditions relating to “Amalgamation” as defined under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961, or any amendments or substitutions thereof. Such modification will, however, not affect the other parts of the Scheme.
- 10.11. Upon the Scheme being sanctioned and taking effect, the Transferee Company shall be entitled to operate all bank accounts related to the Second Transferor Company and all cheques, drafts, pay orders, direct and indirect tax balances and/or payment advices of any kind or description issued in favour of the Second Transferor Company, either before or after the Appointed Date, or in future, may be deposited with the Bank of the Transferee Company and credit of all receipts there-under will be given in the accounts of the Transferee Company.

11. CONSIDERATION

- 11.1. For the purposes of this Scheme, it is hereby clarified that the equity shares in the Second Transferor Company are entirely held by the Transferee Company and its nominees. Thus, upon the Scheme becoming effective, neither any consideration will be paid, nor any shares shall be issued by the Transferee Company to the shareholders of the Second Transferor Company.
- 11.2. Upon the Scheme becoming effective, all equity shares of the Second Transferor Company held by the Transferee Company along with its nominees, shall stand cancelled without any further application, act, instrument or deed and be of no effect without any necessity of them being surrendered.

12. ACCOUNTING TREATMENT

- 12.1. The provisions of the Indian Accounting Standard (Ind AS) 103, Business Combinations, or such other accounting standard as applicable from time to time will be complied with to the extent applicable to this Scheme.

- 12.2. The amalgamation of Second Transferor Company with the Transferee Company shall be accounted for in accordance with the “Pooling of Interest Method” of accounting as laid down in Appendix C of Ind AS 103 (Business combinations of entities under common control) and / or any other applicable Ind AS, as the case may be, as notified under section 133 of the Act read with relevant rules issued thereunder.
- 12.3. Upon the Scheme coming into effect, the Transferee Company shall account for the amalgamation in its books as under:
- a) All the assets and liabilities recorded in the books of the Second Transferor Company shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their respective carrying amounts as appearing in its consolidated financial statements.
 - b) All the reserves of the Second Transferor Company under different heads shall become the corresponding reserves of the Transferee Company. The identity of the reserves of the Second Transferor Company shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner, in which they appear in its consolidated financial statements.
 - c) Inter-company balances including loans and advances, if any, shall be eliminated.
 - d) The investments in the equity share capital of the Second Transferor Company as appearing in the books of account of the Transferee Company, shall stand cancelled and there shall be no further obligation in that behalf. The aforesaid investments shall be adjusted against the paid-up equity share capital of the Second Transferor Company.
 - e) The compulsorily convertible debentures issued by the Second Transferor Company to the Transferee Company shall stand cancelled, and the investment in said compulsorily convertible debentures as appearing in the books of account of the Transferee Company shall also stand cancelled, and there shall be no further obligation in that behalf.
 - f) In case of any differences in the accounting policies between the Second Transferor Company and the Transferee Company, the accounting policies followed by the Transferee company

shall prevail to ensure that the financial statements of the Transferee Company reflect the true financial position on the basis of consistent accounting policies.

- g) The difference, if any, arising after taking the effect of above clauses, shall be adjusted to the debit of capital reserve as 'Amalgamation Adjustment Deficit Account'.
- h) As required by Ind AS 103, notwithstanding anything stated in para (a) to (g) above, the financial information in the financial statements in respect of prior periods will be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

**PART V - ADJUSTMENT OF AMALGAMATION ADJUSTMENT DEFICIT ACCOUNT AS
PER BOOKS OF ACCOUNTS OF THE TRANSFEREE COMPANY WITH SECURITIES
PREMIUM RESERVE AND RETAINED EARNINGS APPEARING IN THE BOOKS OF
ACCOUNTS OF THE TRANSFEREE COMPANY**

**13. CAPITAL REDUCTION BY WAY OF ADJUSTMENT OF AMALGAMATION
ADJUSTMENT DEFICIT ACCOUNT WITH SECURITIES PREMIUM RESERVE AND
RETAINED EARNINGS**

13.1. As per section 230 read with section 52 and section 66 of the Act, upon the Scheme becoming effective, the securities premium account and retained earnings of the Transferee Company shall be reduced in the following manner:

- a) The Amalgamation Adjustment Deficit Account appearing in the books of accounts of the Transferee Company post giving effect to Part II, Part III, and Part IV of this Scheme, representing negative capital reserve, shall be adjusted against the credit balance of securities premium account of the Transferee Company, to the extent of balance available in the said securities premium account.
- b) Post the adjustment referred to in clause (a) above, the residual debit balance, if any, in the Amalgamation Adjustment Deficit Account in the books of accounts of the Transferee Company as on the Appointed Date shall be adjusted against the credit balance of retained earnings of the Transferee Company as on the Appointed Date.

13.2. The reduction of securities premium reserve and retained earnings as aforesaid would not involve diminution of liability in respect of unpaid share capital, if any. The proposed reduction would not in any way adversely affect the operations of the Transferee Company or the ability of the Transferee Company to honor its commitment or to pay its debts in ordinary course of business. Further, no compromise or arrangement is contemplated to be made with the creditors of the Transferee Company under the Scheme.

13.3. Notwithstanding the aforesaid reduction, the Transferee Company will not be required to add the suffix "And Reduced" to its name.

- 13.4. The extinguishment and cancellation of equity shares and preference shares in the manner stated above shall be effected as an integral part of the Scheme and the order of the NCLT sanctioning the Scheme under Section 230 to 232 of the Act shall be deemed to be an order under Section 66 and other applicable provisions of the Act and no separate sanction under Section 66 and other applicable provisions of the Act will be necessary.
- 13.5. This Part of the Scheme does not envisage transfer or vesting of any of the properties and/ or liabilities of the Transferee Company to or in any Person and consequently, the order of the Tribunal to the extent of this Part of the Scheme will not attract any stamp duty.
- 13.6. The Transferee Company submits that the proposed reduction of capital as above is in conformity with and does not violate or circumscribe any provision of the Act.

14. **ACCOUNTING TREATMENT**

- 14.1. On Part V of this Scheme becoming effective, the Transferee Company shall account for capital reduction in its books of account in accordance with Section 66 read with Section 52 of the Act and applicable rules and regulations made thereunder:
- a) The Amalgamation Adjustment Deficit Account appearing in the books of accounts of the Transferee Company post giving effect to Part II, Part III, and Part IV of this Scheme, shall be adjusted against the credit balance of securities premium account of the Transferee Company, to the extent of balance available in the said securities premium account; and
 - b) Post the adjustment referred to in clause (a) above, the residual debit balance, if any, in the Amalgamation Adjustment Deficit Account, in the books of account of the Transferee Company shall be adjusted against the credit balance of retained earnings of the Transferee Company.

**PART VI- GENERAL CLAUSES, TERMS AND CONDITIONS THAT WOULD BE
APPLICABLE TO THIS SCHEME.**

15. LEGAL PROCEEDINGS

- 15.1. All Legal Proceedings of whatsoever nature (legal, taxation and others, including any suits, appeals, arbitrations, execution proceedings, revisions, writ petitions, if any) by or against the Transferor Companies, as on the Appointed Date, shall not abate, be discontinued or be in any way prejudicially affected by reason of the Amalgamation or anything contained in this Scheme but the said proceedings, shall, till the Effective Date be continued, prosecuted and enforced by or against the Transferor Companies, as if this Scheme had not been made.
- 15.2. From the date of approval of this Scheme by the Board of the Transferor Companies and until the Effective Date, the Transferor Companies shall defend all Legal Proceedings, other than in the ordinary course of business, with the advice and instructions of the Transferee Company.
- 15.3. Upon the coming into effect of this Scheme, all Legal Proceedings, suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Companies, whether pending and/or arising on or before the Effective Date shall be continued and / or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Transferee Company.
- 15.4. The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Companies referred to in Clause 15.1 above transferred in its name respectively and to have the same continued, prosecuted and enforced by or against the Transferee Company, to the exclusion of the Transferor Companies.
- 15.5. On and from the Effective Date, the Transferee Company shall have a right, if required, to initiate any Legal Proceedings in relation to any transactions entered into by the Transferor Companies in the same manner and to the same extent as would or might have been initiated by the Transferor Companies and any payment and expenses made thereto shall be the liability of the Transferee Company.

16. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 16.1. Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, indemnities, guarantees, incentives, arrangements and other instruments, whether pertaining to immovable properties or movable properties or otherwise, of whatsoever nature to which the Transferor Companies are a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favor of, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obligee thereto or there under. All such property and rights shall stand vested in Transferee Company pursuant to Sections 230 to 232 of the 2013 Act and shall be deemed to have become the property and rights of Transferee Company whether the same is implemented by endorsement or delivery and possession or in any other manner.
- 16.2. Any inter-se contracts between the Transferee Company and the Transferor Companies respectively shall stand cancelled and cease to operate upon this part of the Scheme becoming effective.
- 16.3. All the insurance policies registered in the name of the respective Transferor Companies shall without any further act, instrument or deed, be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the benefit of the Transferee Company and accordingly, the name of the Transferee Company shall be deemed to be substituted as the insured in all such insurance policies and the insurance companies shall record the name of the Transferee Company in all the insurance policies registered in the name of the respective Transferor Companies (as applicable).
- 16.4. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, power of attorney given by, issued to or executed in favour of the Transferor Companies shall stand transferred to 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 there under, and the rights and benefits under the same shall be available to the Transferee Company. Such transfer shall be concluded

without any further act, deed or thing and without prejudice to the same, wherever required, the Transferee Company shall be entitled to make necessary applications and do all such acts or things which may be necessary to obtain relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.

- 16.5. Benefits of any and all corporate approvals as may have already been taken by the Transferor Company 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.
- 16.6. The Transferee Company, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement to which the Transferor Companies are a party in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Companies and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Transferor Companies.
- 16.7. In relation to the above, any procedural requirements required to be fulfilled solely by Transferor Companies (and not by its successors), shall be fulfilled by Transferee Company as if it is the duly constituted attorney of Transferor Company.

17. TREATMENT OF STAFF, WORKMEN AND EMPLOYEES

- 17.1. Upon the coming into effect of this Scheme, all staff, workmen, employees of the Transferor Companies who are in service on the date immediately preceding the Effective Date, shall become the staff, workmen, employees of the Transferee Company, on terms and conditions not less favourable than those on which they are engaged by the Transferor Companies and without any interruption of or break in service as a result of the amalgamation of the Transferor Companies with the Transferee Company. The Transferee Company further agrees that, for the purpose of payment of all retirement benefits/compensation, such immediate uninterrupted past services of such employees with the Transferor Companies shall be taken into account from the date of their appointment with the Transferor Companies and such benefits to which the Employees are entitled in the Transferor Companies shall also be taken into account and paid (as and when payable) by the Transferee Company.

- 17.2. Upon the Scheme becoming effective, the Transferor Companies will transfer/handover to the Transferee Company, copies of employment information of all such transferred employees of the Transferor Company, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.
- 17.3. On and from the Effective Date and with effect from the Appointed Date, the accounts / funds of staff, workmen and employees, past or present, relating to pension and/or superannuation fund, provident fund, gratuity fund, employee state insurance contribution, or any other special fund or trusts created or existing for the benefit of staff, workmen and employees of the Transferor Companies shall stand transferred to the respective Trusts / Funds of the Transferee Company and such employees shall be deemed to have become members of such Trusts / Funds of the Transferee Company. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the existing superannuation fund, provident fund, gratuity fund, employee state insurance contribution, and other fund respectively of the Transferor Companies and such funds shall be held for the benefit of the employees transferred under the Scheme. It is clarified that the services of the staff, workmen and employees of the Transferor Companies will be treated as having been continuous for the purpose of the aforesaid fund(s)/contribution.
- 17.4. Insofar as the provident fund, gratuity fund, superannuation fund, retirement fund and any other funds or benefits created by the Transferor Companies for its employees or to which the Transferor Companies is contributing for the benefit of its employees (collectively referred to as the "Funds") are concerned, the Funds or such part thereof as relates to the employees (including the aggregate of all the contributions made to such Funds for the benefit of the employees, accretions thereto and the investments made by the Funds in relation to the employees) shall be transferred to the Transferee Company and shall be held for the benefit of the concerned employees. In the event the Transferee Company has its own funds in respect of any of the employee benefits referred to above, the Funds shall, subject to the necessary approvals and permissions, and at the discretion of the Transferee Company, be merged with the relevant funds of the Transferee Company.

- 17.5. The Transferee Company shall continue to abide by any agreement(s) / settlement(s) entered into by the Transferor Companies with any of their employees prior to Appointed Date and from Appointed Date till the Effective Date.
- 17.6. It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits (including employee stock options) that may be applicable and available to any of the other employees of the Transferee Company, unless otherwise determined by the Transferee Company. Provided further that, in the event of variation in the employment policies of the Transferor Companies and the Transferee Company, the Transferee Company is entitled to modify, alter such employment policies of the Transferor Companies to align them with the employment policies of the Transferee Company and the Employees shall be bound by such modified policies till the time it is not prejudicial to the interests of the employees of the Transferor Companies.

18. TREATMENT OF TAXES

- 18.1. Any tax liabilities under the Income-tax Act, 1961, Wealth Tax Act, 1957, Chapter VIII of Finance Act, 2016, Customs Act, 1962, Central Excise Act, 1944, Maharashtra Value Added Tax Act, 2002, Central Sales Tax Act, 1956, any other state Sales Tax / Value Added Tax laws, Chapter V of Finance Act, 1994, The Integrated Goods and Services Tax Act, 2017, The Central Goods and Services Tax Act, 2017, Maharashtra Goods and Services Tax Act, 2017 and any other state Goods and Services Tax Act, 2017, The Goods and Services Tax (Compensation to States) Act, 2017, Stamp Laws or other Applicable Laws/ regulations, as amended from time to time (hereinafter in this Clause referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Companies to the extent not provided for or covered by tax provision in the Accounts made as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company.
- 18.2. All taxes (including income tax and surcharge and cess on such income tax, minimum alternate tax including surcharge and cess on such minimum alternate tax, tax on distributed profits (i.e. Dividend Distribution Tax), tax on distributed income (i.e. Buy-back Tax), equalisation levy, wealth tax, sales tax, excise duty, customs duty, service tax, CGST, SGST, IGST, GST Compensation Cess, value added tax ('VAT'), etc.) paid or payable by the Transferor Companies

under any Tax Laws for the time being in force in respect of the operations and/or the profits of the business on and from the Appointed Date, or any tax deducted or collected at source from the Transferor Companies shall be on account of the Transferee Company and, in so far as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, CGST, SGST, IGST, GST Compensation Cess, VAT, etc.), whether by way of deduction at source, advance tax, or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.

- 18.3. Any tax deducted or collected at source by the Transferor Companies / the Transferee Company transaction with the Transferee Company / the Transferor Companies respectively which has been deemed not to be accrued, shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 18.4. Any refund under the Tax Laws due to the Transferor Companies consequent to the assessments made on the Transferor Companies, whether or not the credit is taken in the accounts, shall belong to and be received by the Transferee Company.
- 18.5. Further, any tax incentives, subsidies, special status, benefit, advantages, privileges, credits, tax holiday, deduction, exemption, rebates, carried forward accumulated business losses and unabsorbed depreciation as per the Income-tax Act, 1961 (including loss and depreciation as per books of accounts) entitled to / enjoyed / availed by the Transferor Companies under the provisions of Income-tax Act, 1961 shall stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company and be entitled to / enjoyed / availed / utilized by the Transferee Company on and from the Appointed Date in the same manner as would have been entitled to / enjoyed / availed / utilized by the Transferee Company before implementation of this Scheme.
- 18.6. Without prejudice to the generality of the above, all benefits including under the Income-tax Act, 1961, sales tax, excise duty, customs duty, service tax, CGST, SGST, IGST, GST Compensation Cess, VAT, etc., to which the Transferor Companies are entitled to in terms of the applicable tax laws of the Union and State Governments, shall be available to and vest in the Transferee Company.

- 18.7. All expenses incurred by the Transferor Companies under Section 43B of the Income-tax Act, 1961, shall be claimed as a deduction by the Transferee Company and the transfer of the Transferor Companies shall be considered as a succession of the business by the Transferee Company. Accordingly, it is further clarified that the Transferee Company shall be entitled to claim deduction under section 43B of the Income-tax Act, 1961 in respect of the unpaid liabilities transferred to the extent not claimed by the Transferor Companies, as and when the same are paid subsequent to the Appointed Date.
- 18.8. Upon this Scheme being effective, the Transferor Company and the Transferee Companies are expressly permitted to revise their financial statements and returns, along with prescribed forms, filings and annexures under the Income-tax Act, 1961 (including for the purpose of re-computing minimum alternative tax, and claiming other tax benefits), goods and services tax laws and other tax laws, and to claim refunds and / or credits for taxes paid (including tax on book profits, minimum alternative tax credit and foreign tax credit), and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme notwithstanding that the period of filing / revising such returns / forms may have lapsed and period to claim refund / credit also elapsed upon this Scheme becoming effective. The Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, even beyond the due date, if required, including tax deducted/ collected at source returns, service tax returns, excise tax returns, sales tax/ value added tax/ goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign Taxes paid/ withheld, etc. if any, as may be required for the purposes of implementation of the Scheme.

19. CONDUCT OF BUSINESSES UNTIL EFFECTIVE DATE

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

- 19.1. The Transferor Companies undertake to preserve and carry on its business, with reasonable diligence and business prudence and in the same manner as the Transferor Companies had been doing hitherto and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber or otherwise deal with or dispose of any undertaking or any part thereof save and except in each case:

- a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the Tribunal; or
 - b) if the same is expressly permitted by this Scheme; or
 - c) if the prior written consent of the Board of Directors of the Transferee Company has been obtained.
- 19.2. The Transferor Companies shall carry on and be deemed to have carried on all business and activities and shall stand possessed of all the assets, rights, title and interest for and on account of, and in trust for the Transferee Company. The Transferor Companies hereby undertake to hold the said assets with utmost prudence until the Effective Date.
- 19.3. With effect from the Appointed Date and up to and including the Effective Date:
- a) The Transferor Companies shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold, and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions for and on account of, and in trust for, the Transferee Company;
 - b) All profits and income accruing or arising to the Transferor Companies, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), for the period commencing from the Appointed Date and up to and including the Effective Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case may be, of the Transferee Company;
 - c) Any rights, powers, authorities or privileges exercised by the Transferor Companies, shall be deemed to have been exercised by the Transferor Companies for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Companies, shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company;
 - d) All taxes (including, without limitation, income tax, wealth tax, sales tax, excise duty, custom duty, service tax, VAT, IGST, SGST, GST Compensation Cess, etc.) paid or payable by the Transferor Companies in respect of their operations and/or the profits before the Appointed

Date, shall be on account of the Transferor Companies and, insofar as it relates to the tax payment (including, without limitation, income tax, wealth tax, sales tax, excise duty, custom duty, service tax, VAT, IGST, SGST, GST Compensation Cess, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operation, after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and, shall, in all proceedings, be dealt with accordingly; and

- e) The Transferor Companies shall not vary the terms and conditions of service of the employees or conclude settlements with unions or employees, except in the ordinary course of business or consistent with past practice or pursuant to any pre-existing obligation without the prior written consent of the Board of Directors of the Transferee Company

- 19.4. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authority including Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any Applicable Laws or rules, for such consents, approvals and sanctions, which the Transferee Company may require pursuant to this Scheme.

20. SAVING OF CONCLUDED TRANSACTIONS

- 20.1. The transfer and vesting of the assets, liabilities and obligations pertaining/relating to the Transferor Companies, pursuant to this Scheme, and the continuance of the proceedings by or against the Transferee Companies, under Clause 15 of this Scheme shall not affect any transactions or proceedings already completed by the Transferor Companies, on and after the Appointed Date to the end and intent that the Transferee Companies accepts all acts, deeds and things done and executed by and/or on behalf of the Transferor Companies, as acts, deeds and things done and executed by and on behalf of the Transferee Companies.

21. AGGREGATION OF AUTHORISED SHARE CAPITAL

- 21.1. The provisions of this Clause 21 shall operate notwithstanding anything to the contrary in any other instrument, deed or writing.

- 21.2. Upon this Scheme becoming effective, the authorized share capital of INR 10,00,20,00,000 (Rupees One Thousand Crores Twenty Lakhs Only) of the First Transferor Company which comprises of 1,00,00,00,000 Equity Shares of INR 10 each (INR 10,00,00,00,000) and 2,00,000 Preference Shares of INR 10 each (INR 20,00,000) and , the authorized share capital of INR 15,00,00,000 (Rupees Fifteen Crores Only) of the Second Transferor Company which comprises of 1,05,50,000 Equity Shares of INR 10 each (INR 10,55,00,000) and 44,50,000 Redeemable Preference Shares of INR 10 each (INR 4,45,00,000), shall stand consolidated with the authorized share capital of the Transferee Company as mentioned in Clause 21.4 below.
- 21.3. Accordingly, the authorized share capital of the Transferee Company shall stand increased to that extent without any further act, instrument or deed on the part of the Transferee Company. The Transferee Company shall pay fees or charges, if any to the Registrar of Companies in accordance with provisions of Section 232(3)(i) of the Act after setting-off fees already paid by the respective Transferor Companies, and/or to any other government authority, and the Memorandum of Association of the Transferee Company (relating to the authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, pursuant to Section 13, 14, 61 and 232(3)(i) respectively of the Companies Act, 2013 and/or any other applicable provisions of the Act, as the case may be. Hence, for this purpose, the fees paid on the authorised share capital of the Transferor Companies shall be utilised and set-off against fees payable, if any by the Transferee Company on such increased authorised share capital. The Transferee Company shall not be required to pay any stamp duty on such increased authorised share capital. Further, in the event of any increase in the authorised share capital of the Transferor Companies and/ or the Transferee Company before the Effective Date, on sanctioning of the any other Scheme by the competent authorities or otherwise increased independently by the respective Companies, such increase shall be given effect to while aggregating the authorised share capital of the Transferee Company and the clauses provided hereinunder shall stand modified to that extent such that the such increase shall be taken in account while aggregating the Authorised Share Capital under the present Scheme.
- 21.4. Consequent upon the amalgamation, the Authorised Share Capital of the Transferee Company will be amended/ altered / modified as under:

Share Capital	Amount (in INR)
<u>Authorized Share Capital</u>	
520,27,50,000 Equity Shares of INR 2 each	10,40,55,00,000
5,32,50,000 preference shares of INR 2 each	10,65,00,000
Total	10,51,20,00,000

- 21.5. Accordingly, clause V of the Memorandum of Association of the Transferee Company shall be amended by deleting the existing clause and replacing it by the following:

V. The Authorized Share Capital of the Company is Rs. 10,51,20,00,000 (Rupees One Thousand Fifty-One Crores Twenty Lakhs) divided into:

(i) 520,27,50,000 (Five Hundred Twenty Crore Twenty Seven Lakh Fifty Thousand) Equity Shares of Rs. 2 (Rupees Two Only) each;

and

(ii) 5,32,50,000 (Five Crore Thirty Two Lakh Fifty Thousand) Preference Shares of Rs. 2 (Rupees Two Only) each.

- 21.6. It is clarified that the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 13 and 61 of the Act or any other applicable provisions of the Act, would be required to be separately passed.

22. DISSOLUTION WITHOUT WINDING UP OF THE TRANSFEROR COMPANIES

- 22.1. The Transferor Companies shall be dissolved without winding up, on an order made by the Hon'ble NCLT under Sections 230 to 232 and other applicable provisions of the Act, without any further act, deed or instrument on part of the Transferor Companies and/or the Transferee Company. On and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the concerned Registrar of Companies.

23. APPLICATIONS TO NCLT OR OTHER APPROPRIATE AUTHORITIES

- 23.1. The Transferor Companies and the Transferee Company shall, with all reasonable dispatch, make necessary applications and / or petitions under Sections 230 to 232 of the Act and/or other

applicable provisions of the Act to the Hon'ble NCLT or such other Appropriate Authority, where the registered offices of the Transferor Companies and the Transferee Company are situated, for seeking order for dispensing with or convening, holding and conducting of meeting of the members and/or creditors of the Transferor Companies and the Transferee Company, as may be directed by the NCLT or such other Appropriate Authority for approval of this Scheme, dissolution of the Transferor Companies without being wound up and all matters ancillary or incidental thereto.

24. FACILITATION PROVISIONS

- 24.1. For the purpose of giving effect to the amalgamation order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Tribunal, the Transferee Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Transferor Companies, in accordance with the provisions of Sections 230 to 232 of the Act. The Transferee Company is and shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc, as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme.
- 24.2. The Transferee Company may, from time to time, in accordance with the Act, rules and regulations framed by the SEBI including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and other Applicable Law, issue securities to any Person (including by way of a rights issue, preferential allotment, private placement, QIP, bonus issue or any other permissible manner).

25. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

- 25.1. The Transferor Companies and the Transferee Company (on behalf of all concerned stakeholders such as shareholders, creditors, etc.) by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, may make and/or accord their consent to any modifications/amendments to the Scheme or to any conditions or limitations that the NCLT or any other authority, may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. The Transferor Companies and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize including any

committee or sub-committee thereof, shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise whatsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith. In case, post approval of the Scheme by the NCLT, there is any confusion in interpreting any clause of this Scheme, or otherwise, Board of Directors of the Transferor Companies and the Transferee Company will have complete power to take the most sensible interpretation so as to render the Scheme operational.

- 25.2. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Board of Directors of the Transferor Companies and the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

26. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

- 26.1. The effectiveness of this Scheme is and shall be conditional upon and subject to the fulfillment of the following conditions:
- a) Obtaining observation letter from SEBI or the Stock Exchanges where the equity shares of the Transferee Company are listed, in relation to the Scheme under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015;
 - b) Approval of the Scheme by requisite majority of each class of shareholders and / or the creditors of the Transferor Companies and the Transferee Company and such classes of persons of the said Companies, if any, as applicable or as may be required under the Act and/or as may be directed by the Tribunal;
 - c) Approval of the Scheme by the public shareholders of Transferee Company through e-voting in terms of para 10 of part I of the SEBI Circular and the Scheme shall be acted upon only if the votes cast by the public shareholders of Transferee Company in favor of the proposal are more than the number of votes cast by the public shareholders of Transferee Company against it;

- d) Compliance with the other provisions of the SEBI Circular or with the provisions of any other any Applicable Law;
 - e) Such other approvals or consents or permission or waiver, including approval or consent or permission or waiver of any other Appropriate Authority or third party, if any, as may be required by law in respect of this Scheme or any part thereof being obtained.
 - f) The Scheme being sanctioned by the Hon'ble NCLT under Sections 230 to 232 of the Act;
 - g) Certified or authenticated copy of the final Order of the NCLT, sanctioning this Scheme under the provisions of Sections 230 to 232 of the Act, being filed with the Registrar of Companies, Maharashtra at Mumbai either by way of filing required e-forms with Ministry of Corporate Affairs portal or otherwise; and
- 26.2. It is hereby clarified that submission of the Scheme to the Tribunal and to the Appropriate Authorities for their respective approval is without prejudice to all rights, interests, titles or defense's that the Transferor Companies and the Transferee Company may have under or pursuant to all Applicable Laws.
- 26.3. On the approval of this Scheme by the shareholders of the Transferor Companies and the Transferee Company and such other classes of persons of the said Companies, if any, such shareholders and classes of persons shall also deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the amalgamation set out in this Scheme, related matters and this Scheme itself.

27. WITHDRAWAL OF THE SCHEME OR NON-RECEIPT OF APPROVALS / SANCTIONS

- 27.1. In the event of withdrawal or any of the said sanctions and approvals referred to in the preceding clause not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the NCLT or such other competent authority and/or order or orders not being passed as aforesaid, this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se between the Transferor Companies and the Transferee Company or their respective shareholders or creditors or employees or any other person and save and except in respect of any act or deed done prior thereto as is

contemplated hereunder or as to any rights, liabilities or obligations which have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the Applicable Law and in such case, each party shall bear its own costs unless otherwise mutually agreed.

28. REVOCATION, WITHDRAWAL OF THIS SCHEME

28.1. The Board of the Transferee Company shall be entitled to revoke, cancel, withdraw and declare this Scheme of no effect at any stage if, (a) this Scheme is not being sanctioned by the NCLT or if any of the consents, approvals, permissions, resolutions, agreements, sanctions and conditions required for giving effect to this Scheme are not obtained or for any other reason (b) in case any condition or alteration imposed by the shareholders and / or creditors of the Transferor Companies and the Transferee Company, the NCLT or any other authority is not acceptable to the Board of the Transferee Company; or (c) the Board of the Transferee Company is of the view that the coming into effect of this Scheme, in terms of the provisions of this Scheme, or filing of the drawn up order with Appropriate Authority could have adverse implications on all or any of the Transferor Companies and the Transferee Company.

28.2. On revocations, withdrawal, cancellation, this Scheme shall stand revoked, withdrawn, cancelled, and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se between the Transferor Companies and the Transferee Company or their respective shareholders or creditors, or employees, or any other person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the Applicable Law and in such case, the Transferee Company shall bear all costs relating to this Scheme unless otherwise mutually agreed.

29. DIVIDENDS

29.1. The Transferor Companies and the Transferee Company shall be entitled to declare and pay dividends to their respective shareholders in respect of the accounting period ending 31st March 2024 consistent with the past practice or in ordinary course of business, whether interim or final. Any other dividend shall be recommended / declared only by the mutual consent of the concerned parties.

29.2. It is clarified that the aforesaid provisions in respect of declaration of dividends (whether interim or final) are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Transferor Companies and the Transferee Company to demand or claim or be entitled to any dividends which, subject to the provisions of the Act, shall be at the discretion of the respective Boards of the Transferor Companies and the Transferee Company, and subject to approval, if required, of the shareholders of the Transferor Companies and the Transferee Company respectively.

30. SCHEME AS AN INTEGRAL WHOLE AND SEVERABILITY

The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if it is approved in its entirety unless specifically agreed otherwise by the respective Board of Directors of the Transferor Companies and the Transferee Company.

31. BINDING EFFECT

Upon the Scheme becoming effective, the same shall be binding on the Transferor Companies and the Transferee Company and all concerned parties without any further act, deed, matter or thing.

32. COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses including stamp duty and registration fee of any deed, document, instrument and/or order passed by the Hon'ble NCLT including this Scheme or in relation to or in connection with negotiations leading up to the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme, if any (save as expressly otherwise agreed) of the Transferor Companies and the Transferee Company shall be borne in the manner as may be mutually agreed to between the Board of Directors or persons authorised by the Board of Directors of the Transferor Companies and the Transferee Company.

Any other dividend shall be recommended / declared only by the mutual consent of the concerned parties.

29.2. It is clarified that the aforesaid provisions in respect of declaration of dividends (whether interim or final) are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Transferor Companies and the Transferee Company to demand or claim or be entitled to any dividends which, subject to the provisions of the Act, shall be at the discretion of the respective Boards of the Transferor Companies and the Transferee Company, and subject to approval, if required, of the shareholders of the Transferor Companies and the Transferee Company respectively.

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Page 47 of 47

[Signature]
SANJAY DWIVEDI
[GROUP-CFO]

VISHAL BIJLALI
[DEPUTY CFO]

CERTIFIED TO BE TRUE COPY

[Signature]
KARNA THAKUR
[SENIOR MANAGER
COMPLIANCE]