

25

SCHEME OF AMALGAMATION

OF

BLAZECLAN TECHNOLOGIES PRIVATE LIMITED

(AMALGAMATING COMPANY 1)

AND

CLOUDLYTICS TECHNOLOGIES PRIVATE LIMITED

(AMALGAMATING COMPANY 2)

WITH

ITC INFOTECH INDIA LIMITED

(AMALGAMATED COMPANY)

(UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013)

---



## INTRODUCTION

### 1. PREAMBLE

This Scheme of Amalgamation (as defined hereinafter) is presented pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act (*as defined hereinafter*), and the rules and regulations issued thereunder, read with Section 2(1B) and other applicable provisions of the IT Act (*as defined hereinafter*), as amended from time to time and as may be applicable, for the amalgamation of Blazeclan Technologies Private Limited ("**Amalgamating Company 1**") and Cloudlytics Technologies Private Limited ("**Amalgamating Company 2**") into and with ITC Infotech India Limited ("**Amalgamated Company**").

Additionally, this Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

### 2. BACKGROUND AND DESCRIPTION OF THE PARTIES TO THIS SCHEME

#### 2.1. Background and Description of the Amalgamated Company

- (i) The Amalgamated Company, i.e., **ITC Infotech India Limited**, is a public limited company incorporated on February 16, 1996, under the provisions of the Companies Act, 1956, under the name '*ITC Classic Threadneedle Trustees Limited*'. Pursuant to the fresh certificate of incorporation issued by Registrar of Companies, West Bengal, on November 26, 1998, the word 'Classic' was removed from the name of the Amalgamated Company and the name of the Amalgamated Company was changed to '*ITC Threadneedle Trustees Limited*'. Further, the name of the Amalgamated Company was changed from '*ITC Threadneedle Trustees Limited*' to '*Contemporary Information Technology Limited*' on April 17, 2000. Furthermore, consequent to the fresh certificate of incorporation dated August 10, 2000 issued by the Registrar of Companies, West Bengal, the name of the Amalgamated Company was changed from '*Contemporary Information Technology Limited*' to '*ITC Infotech India Limited*'.
- (ii) The Amalgamated Company is a company within the meaning of the Companies Act, 2013. The registered office of the Amalgamated Company is situated at Virginia House, 37, J L Nehru Road, Kolkata 700 071, West Bengal, India, within the jurisdiction of NCLT, Kolkata (*as defined hereinafter*).
- (iii) The Corporate Identity Number of the Amalgamated Company is U65991WB1996PLC077341 and PAN (*as defined hereinafter*) is AAAC17376Q. The equity shares of the Amalgamated Company are not listed on any stock exchange.
- (iv) The Amalgamated Company is, *inter alia*, engaged in the business of global information technology and consultancy services, Digital Transformation, Data and Analytics, Enterprise Solutions, Infrastructure Services, Product Engineering, Data Processing, and providing Business Process Outsourcing and other services.

#### 2.2. Background and Description of the Amalgamating Company 1

- (i) Amalgamating Company 1, i.e., **Blazeclan Technologies Private Limited**, is a private limited company incorporated under the Companies Act, 1956 on May 25, 2010, having its registered office at Unit No. 310, 3rd Floor, Konkord Towers, Bund Garden, Pune 411 001, Maharashtra, India, within the jurisdiction of NCLT, Mumbai (*as defined hereinafter*).



- (ii) The Amalgamating Company 1 is a company within the meaning of the Companies Act, 2013, with Corporate Identity Number U72100PN2010PTC136385 and PAN AAECB1523E. The equity shares of the Amalgamating Company 1 are not listed on any stock exchange.
- (iii) The Amalgamating Company 1 is engaged in the business of consultancy, advisory and related services in the areas of information technology and such other services which are required by customers in relation to processing of information and also in the interpretation, application and use of processed data. The Amalgamating Company 1 is a wholly owned subsidiary of the Amalgamated Company.

2.3. Background and Description of the Amalgamating Company 2

- (i) Amalgamating Company 2, i.e., **Cloudlytics Technologies Private Limited**, is a private limited company incorporated under the Companies Act, 2013 on September 29, 2014, having its registered office at Unit No. 310, 3<sup>rd</sup> Floor, Konkord Towers, Bund Garden, Pune 411 001, Maharashtra, India, within the jurisdiction of NCLT, Mumbai (*as defined hereinafter*).
- (ii) The Amalgamating Company 2 is a company within the meaning of the Companies Act, 2013, with Corporate Identity Number U72900PN2014PTC152678 and PAN AAFCC8844G. The equity shares of the Amalgamating Company 2 are not listed on any stock exchange.
- (iii) The Amalgamating Company 2 is engaged in the business of software designing, development, customization, implementation, maintenance, testing and benchmarking, designing, developing and dealing in computer software and solutions, and importing, exporting, selling, purchasing, distributing, hosting (in data centres or over the web) or dealing in own and third party computer software packages, programs and solutions. The Amalgamating Company 2 is a wholly owned subsidiary of the Amalgamating Company 1 and a step-down subsidiary of the Amalgamated Company.

3. NEED AND RATIONALE FOR THIS SCHEME

3.1. Rationale for the Scheme

- a) In view of the portfolio fit and potential of the business of the Amalgamating Companies, the Amalgamated Company acquired the Amalgamating Company 1 by purchasing the entire (100%) equity shares of the Amalgamating Company 1 on 1<sup>st</sup> October, 2024. The Amalgamating Company 2 is a wholly owned subsidiary of the Amalgamating Company 1 and a step-down subsidiary of the Amalgamated Company (pursuant to 100% acquisition of the Amalgamating Company 1 by the Amalgamated Company).
- b) The intention of acquisition of the Amalgamating Companies by the Amalgamated Company was to seamlessly and rapidly integrate and amalgamate its businesses with the Amalgamated Company. The purchase of shares of the Amalgamating Company 1 was only to facilitate the smooth transition of control and management and the intention of the Amalgamated Company was always to fully acquire, integrate, and consolidate the businesses of the Amalgamating Companies with itself so as to realise the envisaged operation and commercial synergies and enhance stakeholder's value.
- c) Amalgamation of the Amalgamating Companies with the Amalgamated Company is proposed for completing the acquisition and the amalgamation will help to consolidate the entities, and is expected to have, *inter alia*, the following benefits:





- 1) Amalgamation of Companies will help to combine the strengths and competencies of the Amalgamating and Amalgamated Companies in the cloud services space and help the combined entity widen its service offerings in a multi cloud and hybrid cloud environment.
  - 2) The combined entity will have a wider portfolio of service offerings with access to higher number of customers enabling significant cross selling opportunities. The combined entity will benefit from divergent customer base of the Amalgamated and Amalgamating Companies in terms of geography and industry vertical concentration.
  - 3) Integration of business operations will provide impetus to the operations of the combined entity. The consolidation by way of an amalgamation will provide seamless access to the assets (including intangible assets, licenses and intellectual properties) of Amalgamating Company 1 and 2 which include Platforms, Accelerators and Frameworks and the combined entity can leverage these to deliver Cloud Services to their clients in a high quality, efficient and cost-effective manner.
  - 4) The combined entity will have the ability to provide specialized cloud-based service offering backed by skilled employees of the Amalgamating Company to larger institutional customers by leveraging the sales force and existing relationships of the Amalgamated Company in the developed markets of Europe and North America.
  - 5) Consolidation of businesses would result in the pooling of financial, managerial, technical and human resources, reduction in management overlap, which would further result in reduction of overheads including administrative, managerial, legal and regulatory compliance related costs and other related expenditure due to operation of multiple companies.
  - 6) Greater efficiency in cash management and unfettered access to cash flows generated by the combined business which can be deployed more efficiently to fund growth opportunities to further improve stakeholders value.
  - 7) Consolidation of funds and resources will lead to optimization of working capital utilization and stronger financial leverage given the simplified capital structure, improved balance sheet and optimized management structure.
  - 8) Consolidation of capabilities, integration and efficiency of operations, economies of scale, to create a larger scale of business and operations to cater to the demand of information technology industry thereby creating a stronger base for future growth and value accretion for the stakeholders.
- d) The management of the respective Companies are of the view that this Scheme is in the interest of the customers, employees, creditors, shareholders and all other stakeholders of the respective Companies.

#### 4. OVERVIEW OF THIS SCHEME

4.1. This Scheme is divided into the following parts:

**PART A** Definitions, Capital Structure and Date of Taking Effect

**PART B** Amalgamation of Amalgamating Companies into and with Amalgamated Company under Sections 230 to 232 of the Act, Conduct of Business until the Effective Date, Change in Authorized Share Capital of the Amalgamated Company, Discharge of Consideration and Cancellation of Shares, Cancellation



of Inter-se Transactions, Capital and Dividends, Dissolution of Amalgamating Companies and Accounting Treatment.

**PART C** General Terms and Conditions applicable to this Scheme

**PART A**

**DEFINITIONS, CAPITAL STRUCTURE AND DATE OF TAKING EFFECT**

**I. DEFINITIONS**

I.1. In this Scheme, unless repugnant to the subject or meaning or context thereof, the following expressions shall have the meaning attributed to them as below:

- (i) “**Act**” means, as the context may admit, the Companies Act, 2013 (as may be notified from time to time) and the rules made thereunder, and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force.
- (ii) “**Amalgamated Company**” has the meaning ascribed to such term in Paragraph 1 of the Preamble.
- (iii) “**Amalgamating Companies**” means, collectively, Amalgamating Company 1 and Amalgamating Company 2.
- (iv) “**Amalgamating Company 1**” has the meaning ascribed to such term in Paragraph 1 of the Preamble and notwithstanding anything to the contrary in this Scheme, such term includes the whole of the business and undertakings of the Amalgamating Company 1 (whether situated in India or abroad) and includes:
  - (a) all of its movable assets, whether present or future, whether tangible or intangible, and all rights, titles, interests, covenants, undertakings and continuing rights in relation thereto;
  - (b) all of its immovable properties and all its rights, titles, interests, covenants, undertakings and continuing rights in relation thereto, including all its land (together with all the buildings and structures standing thereon), whether freehold or leasehold;
  - (c) all of its present and future liabilities, including contingent liabilities, charges and debts appertaining thereto;
  - (d) all of its investments, including shares and other securities, loans and advances, including interest and dividend accrued thereon;
  - (e) all of its permits, rights, entitlements and licences (including the industrial or other licences) granted by any Governmental Authority, permissions, approvals, consents, exemptions, subsidies, registrations, no-objection certificates, quotas, privileges, powers, offices, and facilities, whether granted / available / renewed / applied for;
  - (f) all of its intellectual property rights, websites, emails, trade names, trademarks, service marks, patents, copyrights, domain names, brand names, logos and applications thereof;



- (g) all of its indirect and direct tax assets/credits, including but not limited to service tax credit, CENVAT credit, GST credit, VAT credit, income-tax refunds, carry forward losses, unabsorbed depreciation, TDS, TCS, taxes withheld/paid in a foreign country, self-assessment tax, regular tax, surcharge, cess, tax refunds, etc.;
  - (h) all of its privileges and benefits under all contracts, agreements, memoranda of understanding and all other rights, powers and facilities of every kind and description whatsoever including privileges and benefits thereunder;
  - (i) all of its debts, borrowings, obligations and liabilities, whether present, future or contingent, and whether secured or unsecured;
  - (j) all of its staff and employees, including those employed at its offices and branches, and all other personnel employed by it;
  - (k) all of the advance monies and earnest monies as may be lying with it and any and all of its security deposits, bank and contractual guarantees and other entitlements; and
  - (l) all of its other properties, assets, liabilities, rights, obligations and employees, etc., of any nature whatsoever not covered under (a) to (k) above.
- (v) “Amalgamating Company 2” has the meaning ascribed to such term in Paragraph 1 of the Preamble and notwithstanding anything to the contrary in this Scheme, such term includes the whole of the business and undertakings of the Amalgamating Company 2 (whether situated in India or abroad) and includes:
- (a) all of its movable assets, whether present or future, whether tangible or intangible, and all rights, titles, interests, covenants, undertakings and continuing rights in relation thereto;
  - (b) all of its immovable properties and all its rights, titles, interests, covenants, undertakings and continuing rights in relation thereto, including all its land (together with all the buildings and structures standing thereon), whether freehold or leasehold;
  - (c) all of its present and future liabilities, including contingent liabilities, charges and debts appertaining thereto;
  - (d) all of its investments, including shares and other securities, loans and advances, including interest and dividend accrued thereon;
  - (e) all of its permits, rights, entitlements and licences (including the industrial or other licences) granted by any Governmental Authority, permissions, approvals, consents, exemptions, subsidies, registrations, no-objection certificates, quotas, privileges, powers, offices, and facilities, whether granted / available / renewed / applied for;
  - (f) all of its intellectual property rights, websites, emails, trade names, trademarks, service marks, patents, copyrights, domain names, brand names, logos and applications thereof;
  - (g) all of its indirect and direct tax assets/credits, including but not limited to service tax credit, CENVAT credit, GST credit, VAT credit, income-tax refunds, carry





forward losses, unabsorbed depreciation, TDS, TCS, taxes withheld/paid in a foreign country, self-assessment tax, regular tax, surcharge, cess, tax refunds, etc.;

- (h) all of its privileges and benefits under all contracts, agreements, memoranda of understanding and all other rights, powers and facilities of every kind and description whatsoever including privileges and benefits thereunder;
  - (i) all of its debts, borrowings, obligations and liabilities, whether present, future or contingent, and whether secured or unsecured;
  - (j) all of its staff and employees, including those employed at its offices and branches, and all other personnel employed by it;
  - (k) all of the advance monies and earnest monies as may be lying with it and any and all of its security deposits, bank and contractual guarantees and other entitlements; and
  - (l) all of its other properties, assets, liabilities, rights, obligations and employees, etc., of any nature whatsoever not covered under (a) to (k) above.
- (vi) “**Applicable Law**” or “**Applicable Laws**” means all statutes, laws, ordinances, notifications, bye-laws, rules, regulations, guidelines, policies, codes, directives, schemes, clearances, approvals, requirements, writs, injunctions, judgements, arbitral awards, decrees or orders, as enacted, issued or sanctioned by any Governmental Authority, including any statutory modifications, re-enactments or amendments thereof, for the time being in force.
- (vii) “**Appointed Date**” means the opening of business hours on 1<sup>st</sup> October, 2024, with effect from which this Scheme shall be operative, and the date with effect from which Amalgamating Companies shall, as a consequence of effectiveness of this Scheme, stand amalgamated into and with the Amalgamated Company.
- (viii) “**Board of Directors**” means the respective boards of directors in relation to each of the Companies, as the case may be, and shall, unless repugnant to the context or otherwise, include any duly authorized committee of directors or any person duly authorized by the Board of Directors or such committee of directors.
- (ix) “**CENVAT**” means central value-added tax.
- (x) “**Companies**” means collectively, Amalgamated Company and Amalgamating Companies.
- (xi) “**Effective Date**” has the meaning as set out at Clause 14 of Part C of the Scheme.
- (xii) “**Encumbrance**” shall mean any: (i) encumbrance including without limitation any security interest, claim, mortgage, pledge, charge, hypothecation, lien, lease, assignment, deed of trust, title retention, deposit by way of security, beneficial ownership (including usufruct and similar entitlements), or any other similar interest held by a third person; (ii) security interest or other encumbrance of any kind securing or conferring any priority of payment in respect of any obligation of any person, including without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under applicable law; (iii) beneficial ownership, interest, option, right of pre-emption, right of first offer or refusal or transfer restriction in favour of any



third person, (iv) any adverse claim as to title, possession or use; and/or (v) agreement, conditional or otherwise, to create any of the foregoing.

- (xiii) **“Government”** or **“Governmental Authority”** means any national, state, provincial, local or similar government, governmental, statutory, regulatory or administrative authority, government department, agency, commission, board, branch, tribunal or court or other law, rule or regulation making an entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other sub-division thereof or any municipality, district or other sub-division thereof.
  - (xiv) **“GST”** means the central tax as defined under the Central Goods and Services Tax Act, 2017, the integrated tax as defined under the Integrated Goods and Services Tax Act, 2017, and the state tax as defined under State Goods and Services Tax Acts;
  - (xv) **“IT Act”** means the Income-tax Act, 1961 and the rules, regulations, circulars, notifications and orders issued thereunder, including any statutory modifications, re-enactments or amendments thereof for the time being in force;
  - (xvi) **“NCLTs”** shall mean the NCLT Kolkata, NCLT Mumbai or any other Hon’ble bench of the National Company Law Tribunal having jurisdiction pursuant to this Scheme;
  - (xvii) **“NCLT Kolkata”** means the Hon’ble National Company Law Tribunal, Bench at Kolkata having jurisdiction in relation to the Amalgamated Company;
  - (xviii) **“NCLT Mumbai”** means the Hon’ble National Company Law Tribunal, Bench at Mumbai having jurisdiction in relation to the Amalgamating Companies;
  - (xix) **“PAN”** means Permanent Account Number;
  - (xx) **“RBI”** means the Reserve Bank of India;
  - (xxi) **“Registrar of Companies”** or **“RoC”** means the Registrar of Companies having jurisdiction over any of the Companies.
  - (xxii) **“Rs.”** or **“INR”** means Indian Rupees being the lawful currency of the Republic of India.
  - (xxiii) **“Scheme of Amalgamation”** or **“Scheme”** means this scheme of amalgamation in its present form, or with or without any modification(s), as may be approved or imposed or directed by the NCLT, and any other Governmental Authority.
  - (xxiv) **“TCS”** means Tax Collected at Source.
  - (xxv) **“TDS”** means Tax Deducted at Source.
  - (xxvi) **“VAT”** means value added tax.
- 1.2. The expressions which are used but are not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the IT Act, the Depositories Act, 1996, and other Applicable Laws as may be applicable.
- 1.3. In this Scheme, unless the context otherwise requires:
- (i) references to **“persons”** shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
  - (ii) the headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are





inserted for ease of reference only and shall not form part of the operative provisions of this Scheme and shall not affect the construction or interpretation of this Scheme;

- (iii) words in the singular shall include the plural and *vice versa*;
- (iv) any references in this Scheme to “upon this Scheme becoming effective” or “upon coming into effect of this Scheme” or “upon the Scheme coming into effect” or “effectiveness of the Scheme” or likewise shall be construed to be a reference to the “Effective Date”;
- (v) words “include” and “including” are to be construed without limitation;
- (vi) terms “hereof”, “herein”, “hereby”, “hereto” and derivative or similar words shall refer to this entire Scheme or specified Clauses of this Scheme, as the case may be;
- (vii) a reference to “writing” or “written” includes printing, typing, lithography and other means of reproducing words in a visible form, including e-mail;
- (viii) a reference to any agreement, contract, document or arrangement or to any provision thereof shall include references to any such agreement, contract, document or arrangement as it may, after the date hereof, from time to time, be amended, supplemented or novated;
- (ix) reference to the Recital or Clause shall be a reference to the Recital or Clause of this Scheme; and
- (x) references to any provision of law or legislation or regulation shall include: (a) such provision as amended, modified, re-enacted or consolidated from time to time (whether before or after the date of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the transaction entered into under this Scheme and (to the extent liability thereunder may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced, (b) all subordinate legislations (including circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation) 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.

2. **CAPITAL STRUCTURE**

2.1. **Amalgamated Company**

- (i) The authorised, issued, subscribed and paid-up share capital of the Amalgamated Company as on March 31, 2024 is as under:

Authorised Share Capital	Amount in INR
10,00,00,000 Equity Shares of INR 10/- each	100,00,00,000/-
<b>Total</b>	<b>100,00,00,000/-</b>
Issued, Subscribed and Paid-up Share Capital	Amount in INR
8,80,00,000 Equity Shares of INR 10/- each	88,00,00,000/-
<b>Total</b>	<b>88,00,00,000/-</b>



- (ii) Subsequent to March 31, 2024 and as on the date of approval of this Scheme by the Board of Directors of the Amalgamated Company i.e. as on 30<sup>th</sup> January, 2025, the issued, subscribed and paid-up share capital of the Amalgamated Company has been increased by INR 2,85,00,000 on 17<sup>th</sup> September, 2024 and the present issued, subscribed and paid-up share capital of the Amalgamated Company is as below:

Issued, Subscribed and Paid-up Share Capital	Amount in INR
9,08,50,000 Equity Shares of INR 10/- each	90,85,00,000/-
Total	90,85,00,000/-

2.2. Amalgamating Company 1

- (i) The authorised, issued, subscribed and paid-up share capital of the Amalgamating Company 1, as on March 31, 2024 is as under:

Authorised Share Capital	Amount in INR
10,00,00,000 Equity Shares of INR 1/- each	10,00,00,000
Total	10,00,00,000
Issued, Subscribed and Paid-up Share Capital	Amount in INR
8,85,00,678 Equity Shares with voting rights of INR 1/- each	8,85,00,678
17,90,040 Equity Shares without voting rights of INR 1/- each	17,90,040
Total	9,02,90,718

- (ii) Subsequent to March 31, 2024, and as on the date of approval of this Scheme by the Board of Directors of the Amalgamating Company 1 i.e. as on 29<sup>th</sup> January, 2025, the authorised share capital of the Amalgamating Company 1 has been increased by INR 2,00,00,000 on 29<sup>th</sup> May, 2024 and the issued, subscribed and paid-up equity share capital of the Amalgamating Company 1 has been increased by INR 1,99,60,000 on 12<sup>th</sup> October, 2024 and the present authorised, issued, subscribed and paid-up share capital of the Amalgamating Company 1 is as below:

Authorised Share Capital	Amount in INR
12,00,00,000 Equity Shares of INR 1/- each	12,00,00,000
Total	12,00,00,000
Issued, Subscribed and Paid-up Share Capital	Amount in INR
10,84,60,678 Equity Shares with voting rights of INR 1/- each	10,84,60,678
17,90,040 equity shares without voting rights of INR 1/- each	17,90,040
Total	11,02,50,718





2.3. Amalgamating Company 2

- (i) The authorised, issued, subscribed and paid-up share capital of the Amalgamating Company 2, as on March 31, 2024 is as under:

Authorised Share Capital	Amount in INR
10,000 Equity Shares of INR 10/- each	1,00,000
<b>Total</b>	<b>1,00,000</b>
Issued, Subscribed and Paid-up Share Capital	Amount in INR
10,000 Equity Shares of INR 10/- each	1,00,000
<b>Total</b>	<b>1,00,000</b>

- (ii) Subsequent to March 31, 2024, and as on the date of approval of this Scheme by the Board of Directors of the Amalgamating Company 2 i.e. as on 29<sup>th</sup> January, 2025, there has been no change in the authorised, issued, subscribed and paid-up equity share capital of the Amalgamating Company 2.

3. DATE OF TAKING EFFECT

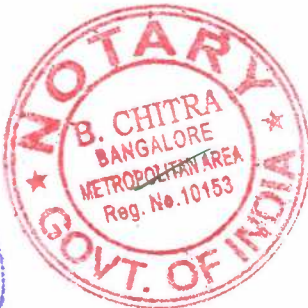
The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT or any other competent authority, shall be effective from the Appointed Date but shall be operative from the Effective Date.

PART B

AMALGAMATION OF AMALGAMATING COMPANIES INTO AND WITH THE AMALGAMATED COMPANY

4. TRANSFER AND VESTING OF AMALGAMATING COMPANIES INTO AND WITH THE AMALGAMATED COMPANY

- 4.1. Subject to the provisions of PART B and PART C of this Scheme in relation to the modalities of amalgamation, upon this Scheme becoming effective on the Effective Date, and with effect from the Appointed Date, the Amalgamating Companies along with all of their respective assets, liabilities, contracts, employees, licenses, records, approvals, rights, powers, consents, permissions and obligations and their entire business and undertakings, including all of their respective properties, rights, benefits and interests therein, shall stand amalgamated with, transferred to and vested in, or shall be deemed to have been transferred to or vested in, the Amalgamated Company, as a going concern, and shall become the assets, liabilities, contracts, employees, licenses, records, approvals, rights, powers, consents, permission, obligations, business and undertakings of the Amalgamated Company, without any further act, instrument or deed being required from the Amalgamating Companies and / or the Amalgamated Company and without any approval or acknowledgement of any third party, in accordance with Sections 230 to 232 of the Act read with Section 2(1B) of the IT Act and all other applicable provisions of law, if any, and in accordance with the provisions contained herein. Such transfer and vesting of the respective undertaking of the Amalgamating Companies shall be subject to all Encumbrances, if any, then affecting the same or any part thereof, provided always that the Scheme shall not operate to enlarge the scope of security for any loan, deposit or facility created





by or available to the Amalgamating Companies which shall vest in the Amalgamated Company by virtue of the amalgamation and the Amalgamated Company shall not be obliged to create any further or additional security after coming into effect of this Scheme or otherwise, except in case where the required security has not been created, and in such case if the terms thereof require, the Amalgamated Company will create security in terms of the issue or arrangement in relation thereto.

4.2. Without prejudice to the generality of the above Clause 4.1, upon coming into effect of this Scheme on the Effective Date and with effect from the Appointed Date, in particular, the Amalgamating Companies shall stand amalgamated with the Amalgamated Company in the manner described in the sub-paragraphs below:

- (i) Upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, all the respective assets and investments (including investments in subsidiaries) of the Amalgamating Companies, whether in India or abroad, that are movable in nature, or incorporeal or intangible in nature, or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by transfer or by delivery instructions in relation to dematerialized shares or by vesting and recordal of whatsoever nature, including plant, machinery and equipment, pursuant to this Scheme shall stand transferred to and vested in and/or be deemed to be transferred to and vested in the Amalgamated Company, wherever located, and shall become the property and an integral part of the Amalgamated Company, without any further act, instrument or deed or instrument of conveyance required from the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party. The transfer and vesting pursuant to this sub-clause 4.2 (i) shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by delivery instructions in relation to dematerialized shares or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being transferred and vested and the title to such property shall be deemed to have been transferred and vested accordingly;
- (ii) Upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, any and all other movable properties of the respective Amalgamating Companies, whether in India or abroad, including cash and cash equivalents, sundry debtors and receivables, earnest monies, bills, credits, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, actionable claims, bank balances and deposits, if any, with any person or body including without limitation any government, semi-government, local and other authorities and bodies, customers and other persons, shall, without any further act, instrument or deed required from the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party, and without any notice or other intimation to the debtors or obligors, become the property of the Amalgamated Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. The Amalgamated Company, if it so deems appropriate, may give notice in such form as it deems fit and proper, to each such debtor or obligor that pursuant to the sanction of the Scheme by the NCLT, such debt, loan, advance, claim, bank balance, investment, deposit or other asset be paid or made good or held on account of the Amalgamated Company as the person entitled thereto, to the end and intent that the right of the Amalgamating Companies to recover or realise all such debts (including the debts payable by such debtor or obligor to the Amalgamating Companies) shall stand transferred and assigned to the Amalgamated Company and that appropriate entries should be passed in the books of accounts of the relevant debtors or obligors to record such change;
- (iii) Upon this Scheme becoming effective on the Effective Date and with effect from the



Appointed Date, all immovable properties of the respective Amalgamating Companies, whether in India or abroad, including without limitation, all land together with all buildings and structures standing thereon, and all rights and interests therein, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company, without any further act, instrument or deed being required from the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party. Upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, the Amalgamated Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay all rent, charges and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The appropriate authorities shall grant all clearances/permissions, if any, required for enabling the Amalgamated Company to absolutely own and enjoy the rights/privileges attached to the immovable properties in accordance with the Applicable Law. The Amalgamated Company shall be entitled to seek mutation/substitution of title in its name in such immovable properties, for the purposes of information and record, and such mutation/substitution of the title to and interest in such immovable properties shall be made and duly recorded in the name of the Amalgamated Company by the appropriate authorities, pursuant to the sanction of the Scheme by the NCLT and the Scheme becoming effective on the Effective Date in accordance with the terms hereof. However, it is hereby clarified that the absence of any such mutation/substitution shall not adversely affect the rights, title or interest of the Amalgamated Company in such immovable properties, which shall be deemed to have been transferred to the Amalgamated Company automatically upon the Scheme becoming effective on the Effective Date.

- (iv) Upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations, whether present or future, secured or unsecured of every kind, nature and description whatsoever and howsoever arising, whether provided for or not in the books of accounts of the respective Amalgamating Companies or disclosed in the balance sheets of the Amalgamating Companies, shall become and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company to the extent they are outstanding as on the Effective Date, without any further act, instrument or deed being required from the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party. The Amalgamated Company undertakes to meet, discharge and satisfy the said debts, liabilities, contingent liabilities, duties and obligations as per their respective terms and conditions, if any. All loans raised and used and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the respective Amalgamating Companies after the Appointed Date and prior to the Effective Date, shall also be deemed to have been raised, used, incurred or undertaken for and on behalf of the Amalgamated Company and, to the extent they are outstanding on the Effective Date, upon the coming into effect of this Scheme and with effect from the Appointed Date, without any further act, instrument or deed being required from the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party, shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Amalgamated Company, and shall become and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person, who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause (iv). However, the Amalgamated Company shall, if required, file





appropriate forms with the RoC accompanied by the sanction order of the NCLT or a certified copy thereof and execute necessary deeds or documents in relation to creation/satisfaction/modification of charges to the satisfaction of the creditors, pursuant to this Scheme becoming effective in accordance with the terms hereof. The Amalgamated Company shall be entitled to take the benefit of all duties and charges already paid by the respective Amalgamating Companies for the creation/modification of any such security interest. Where any of the loans, liabilities and obligations have been discharged by the any of the Amalgamating Companies after the Appointed Date but before the Effective Date, such discharge shall be deemed to have been done by the respective Amalgamating Companies for and on behalf of the Amalgamated Company.

- (v) Upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, all loans, advances, trade receivables and other obligations or liabilities due from, or any guarantees or similar obligations undertaken on behalf of the Amalgamating Companies by the Amalgamated Company or *vice versa*, if any, and all contracts between the Amalgamating Companies and the Amalgamated Company shall stand automatically cancelled and terminated and shall be of no effect, without any further act, instrument or deed being required from the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party. No further taxes, fees, duties or charges shall be required to be paid by the Amalgamated Company on account of such cancellation or termination.
- (vi) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all incorporeal or intangible property of or in relation to the Amalgamating Companies shall stand transferred to and vested in and/or be deemed to have been transferred to and vested in the Amalgamated Company, and shall become the property and an integral part of the Amalgamated Company without any further act, instrument or deed required by either the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party.
- (vii) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all bank accounts operated or entitled to be operated by the respective Amalgamating Companies shall be deemed to have been transferred to and shall stand transferred to the Amalgamated Company and names of the Amalgamating Companies shall be substituted by the name of the Amalgamated Company in the respective bank's records. The Amalgamated Company shall be entitled to operate all bank accounts, realise all monies and complete and enforce all pending contracts and transactions in the name of the Amalgamating Companies to the extent necessary until the transfer of the rights and obligations of the Amalgamating Companies to the Amalgamated Company under the Scheme is formally accepted and completed by the parties concerned. For avoidance of doubt, it is hereby clarified that all cheques and other negotiable instruments and payment orders received and presented for encashment which are in the name of the respective Amalgamating Companies after the Effective Date, shall be accepted by the bankers of the Amalgamated Company and credited to the accounts of the Amalgamated Company, if presented by the Amalgamated Company. Similarly, the banker of the Amalgamated Company shall honour all cheques issued by the respective Amalgamating Companies for payment after the Effective Date.
- (viii) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all letters of intent, memoranda of understanding, memoranda of agreements, requests for proposal, letters of award, expressions of interest, experience and/or performance statements, contracts, agreements, arrangements, undertakings, guarantees and indemnities, whether written or otherwise, deeds, bonds, schemes, and other instruments of every nature and description including without limitation, those





relating to tenancies, privileges, powers and facilities of every kind and description, to which the Amalgamating Companies are party or to the benefit of which the Amalgamating Companies may be eligible or entitled or under which the Amalgamating Companies are obligor and which are subsisting or having effect immediately prior to the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, shall remain in full force and effect against or in favour of the Amalgamated Company and shall be enforced by or against it as fully and effectually as if, instead of the Amalgamating Companies, the Amalgamated Company had been a party or beneficiary or obligee or obligor thereto, without any further act, instrument or deed being required from the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party. If any of the Amalgamating Companies enter into and/or issues and/or executes deeds, writings or confirmations or enters into any tripartite arrangements, confirmations or novations, the Amalgamated Company will, if necessary, also be a party to such documents in order to give formal effect to the provisions of this Scheme, if so required. In relation to the same, any procedural requirements required to be fulfilled solely by the Amalgamating Companies (and not by any of its successors) shall be fulfilled by the Amalgamated Company as if it is the duly constituted attorney holder of the respective Amalgamating Companies, as the case may be.

- (ix) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all statutory or regulatory licenses and permits, including without limitation, all such licenses and permits as set out in grants, allotments, recommendations, no-objection certificates, permissions, registrations, approvals, certificates, consents, quotas, exemptions, clearances, tenancies, privileges, powers, offices, facilities, entitlements or rights granted/available / renewed / applied for, to or by the respective Amalgamating Companies shall stand transferred to and vested in the Amalgamated Company, without any further act, instrument or deed being required from the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party. Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Amalgamated Company shall be entitled to all the benefits thereof, and shall be liable for all the obligations thereunder. In relation to the same, any procedural requirements required to be fulfilled solely by either of the Amalgamating Companies (and not by any of their successors), shall be fulfilled by the Amalgamated Company as if it is the duly constituted attorney of the respective Amalgamating Companies. It is hereby clarified that if the consent or approval (by whatever name called) of any third party or authority is required to give effect to the provisions of this sub-clause (ix), the said third party or authority shall duly provide such consent or approval and shall make the necessary substitution / endorsement in the name of the Amalgamated Company pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Amalgamated Company may file appropriate applications/documents with relevant authorities concerned for information and record purposes. However, it is hereby clarified that the absence of any such substitution / endorsement shall not adversely affect the rights, benefits or interests of the Amalgamated Company which shall be deemed to have been transferred to the Amalgamated Company automatically upon the Scheme becoming effective on the Effective Date.

- (x) Upon the Scheme coming into effect on the Effective Date, all staff and employees (including, workmen, if any) of the respective Amalgamating Companies, who are on their payrolls and all other personnel employed by the respective Amalgamating Companies, whether employed in India or abroad as on the Effective Date, shall become, and be deemed to have become, employed by the Amalgamated Company with effect from the Effective Date, on such terms and conditions as are overall/in aggregate no less



favourable than those on which they were engaged with the respective Amalgamating Companies immediately prior to the Effective Date, without any interruption of service as a result of this amalgamation and transfer. With regard to provident fund, gratuity fund, superannuation fund and any contributions in relation to employees under any statute or regulation, leave encashment and any other special scheme or benefits created or existing for the benefit of the personnel employed by the respective Amalgamating Companies immediately prior to the Scheme coming into effect on the Effective Date, subject to the necessary approvals and permissions, and at the discretion of the Amalgamated Company, be transferred to such existing employee benefit fund nominated by the Amalgamated Company and / or such new employee benefit fund(s) to be established and caused to be recognised by appropriate Governmental Authorities, by the Amalgamated Company. In the event, if it deems appropriate, the Amalgamated Company may, subject to necessary approvals and permissions, maintain the existing funds separately and contribute thereto until such time any change is required. In relation to those employees for whom any of the Amalgamating Companies are making contributions to the government provident fund, the Amalgamated Company shall stand substituted for the respective Amalgamating Companies, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye-laws, etc. in respect of such employees. It is clarified that the services of all personnel employed by the respective Amalgamating Companies who are entitled to the benefits under such schemes and funds, will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds.

- (xi) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all rights, entitlements, licenses, applications, registrations and renewals relating to trademarks, trade names, service marks, copyrights, domain names, brand name, logos, patents and other intellectual property rights of every kind and description, whether registered, unregistered or pending registration, and the goodwill arising therefrom, if any, and software and all website content (including text, graphics, images, audio, video and data) and trade secrets, to which any of the Amalgamating Companies are party or to the benefit of which the Amalgamating Companies may be eligible or entitled, shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in the Amalgamated Company, and shall become the rights, entitlement or property of the Amalgamated Company and shall be enforceable by or against the Amalgamated Company, as fully and effectually as if, instead of the respective Amalgamating Companies, the Amalgamated Company had been a party or beneficiary or obligee thereto or the holder or owner thereof, without any further act, instrument or deed required from the Amalgamating Companies and / or the Amalgamated Company and without any approval or acknowledgement of any third party.
- (xii) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Amalgamated Company shall be entitled to the benefit of all insurance policies (if any) which have been issued in respect of Amalgamating Companies and/or any of their assets or employees and the name of the Amalgamated Company shall stand substituted as the 'insured' in all such policies as if the Amalgamated Company was originally a party thereto, without any further act, instrument or deed required from the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party. Further, the Amalgamated Company shall be entitled to the benefit of all claims filed, prosecuted, proposed to be filed, pending and/or adjudicated in relation to all insurance policies issued in respect of Amalgamating Companies and / or any of their assets or employees.





- (xiii) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all taxes and duties of whatsoever description (including but not limited to all carry forward tax losses comprising unabsorbed depreciation, advance tax payments, TDS, TCS, securities transaction tax, withholding tax, banking cash transaction tax, taxes withheld / paid in a foreign country, customs duty, entry tax, VAT, GST, sales tax, service tax, etc.) including any interest, penalty, surcharge, and cess, if any, payable by or refundable to the Amalgamating Companies, including all or any refunds or claims shall be treated as the tax liability or refunds / claims, as the case may be, of the Amalgamated Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to the Amalgamating Companies, shall pursuant to this Scheme becoming effective on the Effective Date, be available to the Amalgamated Company, without any further act, instrument or deed required from the Amalgamating Companies and / or the Amalgamated Company and without any approval or acknowledgement of any third party, but in the manner more particularly set out herein below. Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all existing and future incentives, un-availed credits and exemptions, benefit of carried forward losses and other statutory benefits, including in respect of income tax, excise (including Modified Value Added Tax/ CENVAT), customs, VAT, sales tax, GST and service tax to which the respective Amalgamating Companies are entitled shall be available to and shall stand transferred to and vested in and/or be deemed to have been transferred to and vested in the Amalgamated Company without any further act, instrument or deed required by either the Amalgamated Company or the Amalgamating Companies and without any approval or acknowledgement of any third party. Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, any tax paid (including TDS and TCS), by or on behalf of the Amalgamating Companies, until the Effective Date shall be deemed to have been paid, deducted or collected on behalf of the Amalgamated Company.
- (xiv) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the benefit of any and all corporate approvals and limits as may have already been taken by the respective Amalgamating Companies, whether being in the nature of compliances or otherwise, including without limitation, the approvals and limits under Sections 42, 62, 179, 180, 185, 186, 188 etc., of the Act, shall stand transferred to the Amalgamated Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Amalgamated Company; it is being clarified that if any such resolutions have any monetary limits approved subject to the provisions of the Act and of any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under the like resolutions passed by the Amalgamated Company.
- (xv) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all other estates, assets, rights, title, interests and authorities accrued to and/or acquired by the respective Amalgamating Companies shall be deemed to have been accrued to and/or acquired for and on behalf of the Amalgamated Company and shall, upon this Scheme coming into effect on the Effective Date and with effect from the Appointed Date, pursuant to the provisions of the Act, without any further act, instrument or deed be and stand transferred to or vested in and/or be deemed to have been transferred to or vested in the Amalgamated Company to that extent and shall become the estates, assets, rights, title, interests and authorities of the Amalgamated Company.
- (xvi) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all books, record files, papers, computer programs, engineering and





process information, manuals, data, designs, catalogues, quotations, websites, cloud storage, correspondences/ communications with third parties/ Governmental Authorities, sales and advertising materials, marketing strategies, list of present and former customers, customer contracts, customer credit information, customer pricing information, and other records, whether in physical or electronic or in any other form, in connection with or relating to the respective Amalgamating Companies shall be deemed to have been transferred to or acquired for and on behalf of the Amalgamated Company and shall, upon this Scheme coming into effect on the Effective Date and with effect from the Appointed Date, without any further act, instrument or deed be and stand transferred to or vested in and/or be deemed to have been transferred to or vested in the Amalgamated Company. Further, the Amalgamated Company shall be entitled to engage in such correspondence, execute such documents and agreements, and make such representations to a third party or any Governmental Authority, as may be necessary in this connection. It is clarified that any correspondence, documents and agreements (including with respect to any correspondence, documents and agreements with any Governmental Authority) in connection with or relating to the respective Amalgamating Companies shall be deemed to be an integral part of the Scheme and shall be transferred to or vested in and/or be deemed to have been transferred to or vested in the Amalgamated Company.

- (xvii) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Amalgamated Company shall bear the burden and the benefits of any legal, tax, quasi-judicial, administrative, regulatory or other proceedings initiated by or against the respective Amalgamating Companies. If any suit, appeal or other proceeding of whatsoever nature by or against the respective Amalgamating Companies is pending as on the Effective Date, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the amalgamation of such Amalgamating Companies and transfer and vesting of the same in the Amalgamated Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Amalgamated Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Amalgamating Companies as if this Scheme had not been made effective. Upon the Scheme becoming effective, the Amalgamated Company undertakes to have such legal or other proceedings initiated by or against the respective Amalgamating Companies transferred in its name and to have the same continued, prosecuted and enforced by or against the Amalgamated Company to the exclusion of the Amalgamating Companies. The Amalgamated Company also undertakes to handle all legal or other proceedings which may be initiated against the Amalgamating Companies after the Effective Date in its own name and account and further undertakes to pay all amounts, including interest, penalties, damages etc., pursuant to such legal or other proceedings.

- 4.3. Upon the Scheme coming into effect on the Effective Date with effect from the Appointed Date, the Amalgamated Company shall be entitled to the benefit of the past experience, accreditation and/or performance of the Amalgamating Companies for all purposes without any further act, instrument or deed required by either of the Amalgamating Companies or the Amalgamated Company and without any approval or acknowledgement being required from any third party. If any instrument or deed or document is required or deemed necessary or expedient to give effect to the provisions of this Clause 4.3 by the Amalgamated Company, the Amalgamated Company shall, under the provisions of PART B of the Scheme, be deemed to be duly authorized to execute all such writings on behalf of the respective Amalgamating Companies and to carry out or perform all such formalities or compliances referred to above on behalf of the Amalgamating Companies.

- 4.4. Without prejudice to the generality of the clauses mentioned above and subject to the order of the NCLTs sanctioning the Scheme, upon this Scheme coming into effect on the Effective Date,



holders of security over the respective properties, if any, of the Amalgamating Companies shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the respective Amalgamating Companies, as existing immediately prior to the amalgamation of the Amalgamating Companies with the Amalgamated Company. For the avoidance of doubt, it is hereby clarified that all the assets of the Amalgamated Company and the Amalgamating Companies which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any new indebtedness that may be incurred by the Amalgamated Company. For this purpose, no further consent from the existing secured creditors shall be required and sanction of this Scheme shall be considered as a specific consent of such secured creditors.

**5. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE**

- 5.1. The Amalgamating Companies agree and undertake that during the period between the Appointed Date and up to the Effective Date, the businesses of the Amalgamating Companies shall be carried out with reasonable diligence and business prudence and in the same manner as they had been doing hitherto, in good faith and in accordance with Applicable Law.
- 5.2. With effect from the Appointed Date and up to and including the Effective Date:
- (i) the Amalgamating Companies shall be deemed to have carried on their business activities with due business prudence and diligence and to have held and stood possessed of their properties and assets for, on behalf of and in trust for, the Amalgamated Company;
  - (ii) all profits or income accruing to or received by the Amalgamating Companies, losses arising in or incurred by the Amalgamating Companies and expenditure incurred by the Amalgamating Companies (including taxes, if any, accruing or paid thereon, including but not limited to advance tax, TDS, TCS, fringe benefit tax, securities transaction tax, taxes withheld/paid in a foreign country, customs duty, entry tax, VAT, GST, sales tax, service tax etc.) for the period from the Appointed Date based on the accounts of the respective Amalgamating Companies shall, subject to the Scheme being effective, for all purposes, be treated as and deemed to be the profits, income, losses, expenditure, or taxes, as the case may be, of the Amalgamated Company;
  - (iii) any of the rights, powers, authorities and privileges exercised by the Amalgamating Companies shall be deemed to have been exercised by such Amalgamating Companies for and on behalf of, and in trust for and as an agent of the Amalgamated Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by Amalgamating Companies shall be deemed to have been undertaken or discharged for and on behalf of and as an agent for the Amalgamated Company; and
  - (iv) Pending sanction of the Scheme, the Amalgamating Companies shall not, except by way of issue of shares/ convertible debentures to the Amalgamated Company, increase its capital (by fresh issue of shares, convertible debentures or otherwise).
- 5.3. For the purpose of giving effect to the order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the NCLTs, the Amalgamated Company shall, at any time, pursuant to the order on this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the transfer of the Amalgamating Companies, in accordance with the provisions of Sections 230 to 232 of the Act. The Amalgamated Company is and shall always be deemed to have been authorised to execute any pleadings, applications, forms etc. as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme, pursuant to the sanction of this Scheme by the NCLTs.





- 5.4. The Amalgamated Company shall also be entitled, pending the sanction of this Scheme, to apply to the relevant Governmental Authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Amalgamated Company may require, including the registration, approvals, exemptions, reliefs, etc., as may be required/granted under any Applicable Law for the time being in force for carrying on the business of the Amalgamating Companies.
- 5.5. Upon this Scheme becoming effective, the Amalgamated Company, unconditionally and irrevocably, agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of the Amalgamating Companies with effect from the Appointed Date, in order to give effect to the foregoing provisions.

6. **CHANGE IN AUTHORISED SHARE CAPITAL OF THE AMALGAMATED COMPANY**

- 6.1. Upon the Scheme becoming effective on the Effective Date and with effect from the Appointed Date, in part or in whole, and as an integral part of the Scheme, the authorised share capital of the Amalgamating Company 1 divided into 12,00,00,000 Equity Shares of INR 1/- each amounting to INR 12,00,00,000 shall stand sub-divided/reclassified/reorganized into 1,20,00,000 Equity Shares of INR 10/- each amounting to INR 12,00,00,000, without any liability for payment of any additional fees (including fees and charges to the Registrar of Companies) or stamp duty.
- 6.2. The consent of the shareholders of the Amalgamating Company 1 and the Amalgamated Company to the Scheme shall be deemed to be sufficient for purposes of effecting the above and that no further action under Sections 13, 61 or any other applicable provision of the Act, shall be separately required nor shall any additional fees (including fees and charges to the Registrar of Companies) or stamp duty be payable by the Amalgamated Company.
- 6.3. Upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date and pursuant to the sub-division/reclassification/ reorganization of the resultant authorised share capital of Amalgamating Company 1 in accordance with this Scheme, the authorised share capital of Amalgamating Company 1 and Amalgamating Company 2 as on the Effective Date shall, without any further act, instrument or deed, stand transferred to and be merged/amalgamated with the authorised share capital of the Amalgamated Company. Pursuant to the Scheme, the authorised share capital of the Amalgamated Company shall be increased to INR 112.01,00,000 (Indian Rupees One Hundred Twelve Crores and One Lakh only) divided into 11,20,10,000 (Eleven Crores Twenty Lakhs and Ten Thousand) Equity Shares of INR 10 (Indian Rupees Ten) each.
- 6.4. Consequently, upon the Scheme becoming effective on the Effective Date and with effect from the Appointed Date, and without any further act or instrument or deed-

- (i) Clause V of the Memorandum of Association of the Amalgamated Company shall stand modified and shall read as under:-

*"The Authorised Share Capital of the Company is INR 112,01,00,000 (Indian Rupees One Hundred Twelve Crores and One Lakh only) consisting of 11,20,10,000 (Eleven Crores Twenty Lakhs and Ten Thousand) Equity Shares having face value of INR 10 (Indian Rupees Ten) each."*

- (ii) Clause 4 of the Articles of Association of the Amalgamated Company shall stand modified and shall read as under:-

*"The Authorised Share Capital of the Company is INR 112,01,00,000 (Indian Rupees One Hundred Twelve Crores and One Lakh only) consisting of 11,20,10,000 (Eleven Crores Twenty Lakhs and Ten Thousand) Equity Shares having face value of INR 10 (Indian Rupees Ten) each."*





It is clarified that for the purposes of Clause 6.1 and Clause 6.2 above, the stamp duties and fees (including registration fee) paid on the authorised share capital of the respective Amalgamating Companies shall be utilised and applied to the increased authorized share capital of the Amalgamated Company and there would be no requirement for any further payment of stamp duty and/or fee (including registration fee) by the Amalgamated Company for increase in the authorised share capital, pursuant to this Scheme, to that extent, except if any differential duty is payable under Section 232(2)(i) of the Act.

- 6.5. Upon this Scheme becoming effective, the Amalgamated Company shall file necessary form for notice of increase of the authorised share capital of the Amalgamated Company with the Registrar of Companies in accordance with Applicable Law.
- 6.6. In the event the authorised share capital of the Amalgamated Company undergoes any change prior to the date on which this Scheme comes into effect, the clauses specified in this Scheme to replace the existing Clause V of the Memorandum of Association and Clause 4 of the Articles of Association of the Amalgamated Company shall be modified accordingly to take into account the effect any such change.
- 6.7. It is hereby clarified that the consent of the shareholders of the Amalgamated Company and shareholders of the respective Amalgamating Companies to this Scheme shall be sufficient for the purposes of effecting the aforesaid additions in the Memorandum of Association and the Articles of Association of the Amalgamated Company and that no further resolutions, whether under the applicable provisions of the Act or under the Articles of Association, shall be required to be separately passed. All actions taken in accordance with this Clause 6 shall be deemed to be in full compliance with Sections 13, 61 and 64 and other applicable provisions of the Act and rules and regulations issued thereunder, and no further resolutions or actions under any other provisions of the Act or the rules or regulations issued thereunder would be required to be separately passed or undertaken by the Amalgamated Company.

**7. DISCHARGE OF CONSIDERATION AND CANCELLATION OF SHARES**

- 7.1. The Amalgamating Company 1 is a wholly owned subsidiary of the Amalgamated Company and the Amalgamating Company 2 is a wholly owned subsidiary of the Amalgamating Company 1 and a step-down subsidiary of the Amalgamated Company. Accordingly, upon the Scheme coming into effect on the Effective Date and upon the amalgamation of the Amalgamating Companies into and with the Amalgamated Company, no shares of the Amalgamated Company shall be issued (i) in lieu of or in exchange of the holding of the Amalgamated Company in the Amalgamating Company 1 (held directly and jointly with six shareholders) and (ii) in lieu of or in exchange of the holding of the Amalgamating Company 1 in the Amalgamating Company 2 (held directly and jointly with six shareholders), as the Amalgamating Company 1 is being amalgamated with the Amalgamated Company pursuant to this Scheme. Accordingly, the issued, subscribed and paid-up capital of the Amalgamating Companies shall stand cancelled, without any further application, act, instrument, or deed. It is further clarified that since the Amalgamating Company 1 is a wholly owned subsidiary of the Amalgamated Company and the Amalgamating Company 2 is a wholly owned subsidiary of the Amalgamating Company 1 and a step-down subsidiary of the Amalgamated Company, no consideration shall be discharged by the Amalgamated Company pursuant to this Scheme.
- 7.2. Upon this Scheme becoming effective, in the (consolidated/merged) balance sheet of the Amalgamated Company, investments of the Amalgamated Company being shares and other securities, if any, held in the Amalgamating Company 1 (directly and jointly with six shareholders) and in the Amalgamating Company 2 (directly by the Amalgamating Company 1 with the six shareholders and indirectly by the Amalgamated Company), shall stand cancelled in entirety without any consideration and without any further act or deed and without any liability towards any tax under the IT Act or any other Applicable Laws. The shares or the share certificates of the Amalgamating



Company 1 in relation to the shares held by the Amalgamated Company (directly and jointly with six shareholders) and shares or the share certificates of the Amalgamating Company 2 in relation to shares held by the Amalgamating Company 1 (directly and jointly with six shareholders), shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled and be of no effect without any necessity of them being surrendered.

#### **8. CANCELLATION OF INTER-SE TRANSACTIONS**

- 8.1. Upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, all loans, advances, trade receivables and other obligations or liabilities due, from or by or any guarantees given on behalf, any of the Amalgamating Companies to or for each other or to the Amalgamated Company or *vice versa*, if any, and all contracts, arrangements and transactions, of any nature whatsoever, between any of the Amalgamating Companies and the Amalgamated Company (other than this Scheme) shall stand automatically cancelled and terminated and shall be of no effect, without any further act, instrument or deed being required from any of the Companies and without any approval or acknowledgement of any third party. No further taxes, fees, duties or charges shall be required to be paid by the Amalgamating Companies or the Amalgamated Company on account of such cancellation or termination.

#### **9. CAPITAL AND DIVIDENDS**

- 9.1. Nothing in this Scheme shall be interpreted to restrict the ability of any of the Companies to declare and/or pay dividends, whether interim and/or final or issue bonus shares, to their respective shareholders prior to the Effective Date.
- 9.2. It is clarified that the aforesaid provisions in respect of declaration of dividend are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Companies to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Companies, and if applicable as per the provisions of the Act, shall also be subject to the approval of the shareholders of the relevant Company or Companies.
- 9.3. Nothing in this Scheme shall be interpreted to restrict the ability of any of the Companies to raise capital or funds whether by way of equity or debt, in any manner whatsoever, at any time prior to the Effective Date.

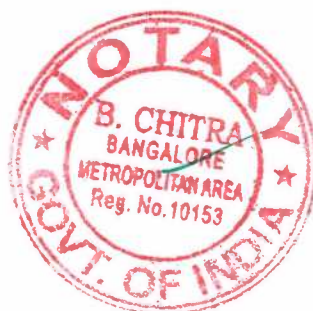
#### **10. DISSOLUTION OF AMALGAMATING COMPANIES**

- 10.1. Upon this Scheme becoming effective, the Amalgamating Companies shall stand dissolved as an integral part of this Scheme, without being liquidated or wound-up and without requiring any further act, instrument or deed from the Amalgamating Companies and/or the Amalgamated Company.
- 10.2. It is hereby clarified that upon the dissolution of the Amalgamating Companies, in the event there are any further acts, deeds or instruments to be executed to make the Scheme effective, then the Amalgamated Company shall be able to execute such acts, deeds or instruments without any further act, deed or instrument required from either the Amalgamated Company and/or the Amalgamating Companies.

#### **11. ACCOUNTING TREATMENT**

##### **ACCOUNTING TREATMENT IN THE BOOKS OF THE AMALGAMATED COMPANY**

- 11.1. Upon this Scheme becoming effective and with effect from the Appointed Date, the Amalgamated Company shall account for amalgamation of the Amalgamating Companies into





the Amalgamated Company as per the Indian Accounting Standard 103 on Business Combinations prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015.

11.2. Upon the Scheme becoming effective and with effect from the Appointed Date, the Amalgamated Company shall account for amalgamation as under –

- (i) In line with the recognition principles provided under the Indian Accounting Standard 103 on Business Combinations, the Amalgamated Company shall recognize all assets and liabilities of the Amalgamating Companies transferred to and vested in the Amalgamated Company pursuant to this Scheme at fair values as determined by an independent valuer and adopted by the Amalgamated Company. Such assets may also include acquired identifiable intangible assets, whether previously recorded in the books of accounts of the Amalgamating Companies or not. Upon the Scheme coming into effect on the Effective Date, the above recognition shall result in the Amalgamated Company recording all the assets and liabilities of the Amalgamating Companies transferred to and vested in it pursuant to this Scheme.
- (ii) The value of investment in the equity shares of the Amalgamating Company 1 held by the Amalgamated Company shall stand cancelled in the books of the Amalgamated Company, without any further act or deed. The cost of acquisition of such equity shares of the Amalgamating Company 1 in the hands of the Amalgamated Company represents and shall be treated as the consideration paid by the Amalgamated Company for acquisition of the business of the Amalgamating Companies (considering that Amalgamating Company 2 is a wholly-owned subsidiary of Amalgamating Company 1).
- (iii) Any other inter-company transactions and balances, if any, appearing in the books of accounts of the Amalgamating Companies and the Amalgamated Company shall stand cancelled.
- (iv) Any excess of the amount of investment cancelled [as per clause (ii) above] over the value of Net Assets of the Amalgamating Companies and after giving effect to clause (iii) above, shall be treated as goodwill in accordance with the Indian Accounting Standard 103 on Business Combinations in the books of the Amalgamated Company. If the amount of investment cancelled [as per clause (ii) above] is less than the amount of Net Assets of the Amalgamating Companies, the difference will be recorded in the capital reserve account of the Amalgamated Company. For the purpose of this clause, 'Net Assets' shall mean the difference between the assets and liabilities as recognized by the Amalgamated Company as per clause (i) above.

#### ACCOUNTING TREATMENT IN THE BOOKS OF THE AMALGAMATING COMPANIES

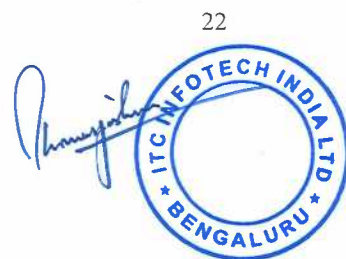
11.3. Upon the Scheme becoming effective, the Amalgamating Companies shall stand dissolved without being wound up and hence there is no accounting treatment prescribed under this Scheme in the books of the respective Amalgamating Companies.

### PART C

#### GENERAL TERMS AND CONDITIONS

#### **12. PROVISIONS APPLICABLE TO PART B**

12.1. Upon the sanction of this Scheme by the NCLTs and upon this Scheme becoming effective, the following shall be deemed to have occurred on the Appointed Date and become effective and operative only in the sequence and in the order mentioned hereunder:

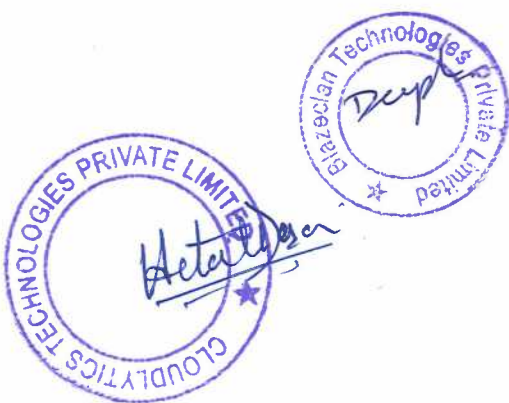




- (i) the amalgamation of the Amalgamating Companies into the Amalgamated Company in accordance with PART B of the Scheme;
- (ii) transfer of the authorised share capital of each of the Amalgamating Companies to the Amalgamated Company as provided in PART B of this Scheme, and consequential increase in the authorised share capital of the Amalgamated Company as provided in PART B of this Scheme;
- (iii) cancellation of the shares of (a) the Amalgamating Company 1 held by the Amalgamated Company, and (b) the Amalgamating Company 2 held by the Amalgamating Company 1, in terms of Clause 7 of this Scheme; and
- (iv) dissolution of the Amalgamating Companies without winding up.

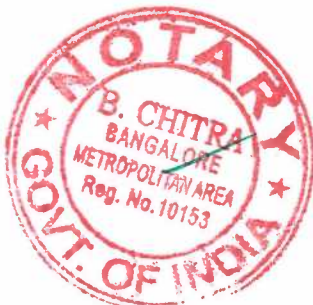
### 13. TREATMENT OF TAXES

- 13.1. Upon this Scheme becoming effective and with effect from the Appointed Date, any surplus in the provision for taxation/duties/levies account, including but not limited to advance tax, TDS or TCS, CENVAT credit or, GST credit, as on the date immediately preceding the Appointed Date will also be transferred from each of the Amalgamating Companies to the Amalgamated Company. Any refund under the IT Act or other Applicable Laws dealing with taxes/duties/levies, including GST, allocable or related to the business of any of the Amalgamating Companies or due to any of the Amalgamating Companies, consequent to the assessment made in respect of any of the Amalgamating Companies, for which no credit is taken in the book of accounts of the respective Amalgamating Companies as on the date immediately preceding the Appointed Date, shall also belong to and be received by the Amalgamated Company and shall be deemed to have been on account of or paid by the Amalgamated Company and the relevant Governmental Authorities shall be bound to transfer to the account of and give credit for the same to the Amalgamated Company upon the approval of this Scheme by the NCLTs and upon relevant proof and documents being provided to the said authorities.
- 13.2. Without prejudice to the generality of the above, deductions, benefits, entitlements, incentives, right to carry forward and set off accumulated losses and unabsorbed depreciation, and credits (including but not limited to CENVAT, TDS, and GST credits etc.), or any concessional or statutory forms under applicable tax laws, or local levies issued or received by either of the Amalgamating Companies, under the IT Act, or under any other applicable tax laws, central government/state government incentive schemes etc., to which either of the Amalgamating Companies are/would be entitled to in terms of the Applicable Laws of the central and state government or of any foreign jurisdictions, shall be available to and vest in or be deemed to be issued or received, as the case may be, in the name of Amalgamated Company, in the same manner and to the same extent as would have been available to the respective Amalgamating Companies.
- 13.3. Upon this Scheme becoming effective and with effect from the Appointed Date, the tax payments (including without limitation income tax, central and state GST, tax on the distribution of dividends, excise duty, central sales tax, custom duty, applicable state value added tax and entry tax or any other taxes as may be applicable from time to time) whether by way of TDS or TCS by the parties, advance tax, all earnest monies, security deposits, provisional payments, or otherwise howsoever, by the Amalgamating Companies on or after the Appointed Date, shall be deemed to be paid by the Amalgamated Company and shall, in all proceedings, be dealt with accordingly, and the Amalgamated Company shall be entitled to credit for such taxes / duties paid against its tax/ duty liabilities, notwithstanding that the certificates / challans or other documents for payment of such taxes / duties are in the name of Amalgamating Companies.
- 13.4. Upon the Scheme becoming effective and with effect from the Appointed Date, the



Amalgamated Company is expressly permitted to prepare, file and / or revise, as the case may be, its financial statements and statutory / tax returns (including but not limited to income tax returns, withholding tax returns, TDS certificates, GST returns, and other tax returns) along with the prescribed forms, filings and annexures under the IT Act, and/or in relation to central sales tax, custom duty, entry tax, applicable state value added tax, central and state GST and other tax laws, and to claim tax benefits, refunds, and / or credits for the taxes paid (including TDS, among others) under the IT Act, and / or other tax laws, and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. The order of the jurisdictional NCLT sanctioning the Scheme shall be deemed to be an order of the competent authority permitting the Amalgamated Company to prepare and / or revise its financial statements and books of accounts and any such revisions shall be permitted, notwithstanding that the time prescribed for filing or revising such returns may have elapsed, without incurring any liability on account of interest, penalty or any other sum, and no further act shall be required to be undertaken by the Amalgamated Company.

- 13.5. Upon this Scheme becoming effective and with effect from the Appointed Date, all inter-party transactions between Amalgamating Companies and the Amalgamated Company shall be considered as intra-party transactions for all purposes (including for tax compliances, credits, refunds, etc.). For the avoidance of doubt, input tax credits already availed of or utilised by the Amalgamating Companies and the Amalgamated Company in respect of inter-se transactions shall not be adversely impacted by the cancellation of inter-se transactions pursuant to this Scheme.
- 13.6. Upon this Scheme becoming effective and with effect from the Appointed Date, obligation for deduction of tax at source on any payment made by or to be made by the Amalgamating Companies or for collection of tax at source on any supplies made by or to be made by Amalgamating Companies shall be made or deemed to have been made and duly complied with by the Amalgamated Company. Further, any tax deducted at source or collected at source by the Amalgamating Companies and Amalgamated Company on transactions with each other, if any, (after the Appointed Date until Effective Date) and deposited with Governmental Authorities shall be deemed to be advance tax paid by the Amalgamated Company and/or TDS credit of the Amalgamated Company and shall, in all proceedings be dealt with accordingly.
- 13.7. Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all compliances under any tax laws by the Amalgamating Companies on or after the Appointed Date shall be deemed to be made by the Amalgamated Company.
- 13.8. Upon this Scheme becoming effective and with effect from the Appointed Date, all tax assessment proceedings and appeals of whatsoever nature by or against the Amalgamating Companies, pending and/or arising as at the Appointed Date and relating to the Amalgamating Companies, shall be continued and/enforced until the Effective Date as desired by the Amalgamated Company. As and from the Effective Date, the tax assessment proceedings/appeals shall be continued and enforced by or against the Amalgamated Company (for and on behalf of the Amalgamating Companies) in the same manner and to the same extent as would or might have been continued and enforced by or against the Amalgamating Companies. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by the reason of the amalgamation of the Amalgamating Companies with the Amalgamated Company or anything contained in PART B of this Scheme.
- 13.9. Upon this Scheme becoming effective and with effect from the Appointed Date, all the expenses incurred by the Amalgamating Companies and the Amalgamated Company in relation to the amalgamation of the Amalgamating Companies with the Amalgamated Company as per this Scheme, including stamp duty expenses and/or transfer charges, if any, shall be allowed as a deduction to the Amalgamated Company in accordance with Section 35DD of the IT Act over a period of 5 (five) years beginning with the previous year in which the Scheme becomes effective.





- 13.10. Upon this Scheme becoming effective and with effect from the Appointed Date, the Amalgamated Company will be eligible to (a) claim all the deductions otherwise admissible to the Amalgamating Companies, including payment admissible on actual payment or on deduction of appropriate taxes or on payment of TDS (like Section 43B, Section 40, Section 40A, etc. of the IT Act) upon fulfilment of required conditions under the IT Act and (b) exclude, while computing taxable income, items such as provisions, reversals, etc. for which no deduction or tax benefit has been claimed by the Amalgamating Companies under the IT Act prior to the Appointed Date.
- 13.11. The amalgamation under this Scheme is in compliance with the IT Act, specifically Section 2(1B) and other relevant provisions. If any of the terms of this Scheme are found or interpreted to be inconsistent with the provisions of Section 2(1B) of the IT Act at a later date, including resulting from an amendment of law or for any other reason whatsoever, the provisions of Section 2(1B) of the IT Act shall to the extent of such inconsistency, prevail and this Scheme shall, stand and be deemed to be modified to that extent determined necessary to comply with Section 2(1B) of the IT Act and such modifications shall not affect the other parts of this Scheme.

#### **14. CONDITIONALITY OF THE SCHEME**

- 14.1. This Scheme shall become effective only if the following conditions are either all satisfied or waived (to the extent permissible under Applicable Laws) by the Board of Directors of the Companies:
- (i) this Scheme being approved by the requisite majority of such classes of shareholders and creditors of the Companies (where applicable) as may be required under Applicable Laws or as may be directed by the NCLTs pursuant to Sections 230 to 232 of the Act;
  - (ii) the sanction to the Scheme by the NCLT Kolkata and NCLT Mumbai;
  - (iii) compliance with such conditions as may be imposed by the NCLTs;
  - (iv) the receipt or waiver (as the case may be) of any approvals mutually agreed by the Companies as required for completion of the transactions contemplated under this Scheme or on the expiry of any statutory time period pursuant to which any approval is deemed to have been granted; and
  - (v) the certified copies of the order of the NCLT Kolkata and NCLT Mumbai sanctioning the Scheme being filed by the Amalgamated Company and the Amalgamating Companies, respectively, with the Registrar of Companies.
- 14.2. The Scheme shall not come into effect unless the aforementioned conditions mentioned in Clause 14.1 of PART C above are satisfied, and in such an event, unless each of the conditions is satisfied, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Amalgamating Companies, the Amalgamated Company or their respective shareholders or creditors or employees or any other person.

#### **15. APPLICATIONS TO THE NCLTs**

Subject to Clauses 14.1(i), 17 and 18 of this Scheme,

- 15.1. the Companies shall make and file, applications and petitions with all reasonable dispatch to the respective NCLT, under Sections 230 to 232 and other applicable provisions of the Act, seeking orders for dispensing with or convening of the meetings of the different classes of their respective shareholders and/or creditors as may be applicable and for sanctioning this Scheme with such modifications, as may be approved/required by the NCLTs or any other Governmental Authority





and for consequent dissolution of the Amalgamating Companies.

- 15.2. upon this Scheme being approved by the requisite majority of the shareholders and creditors of the Companies (wherever required), the Companies shall make and file, all applications and petitions with all reasonable dispatch before the respective NCLTs for sanction of this Scheme under Sections 230 to 232 and other applicable provisions of the Act, and for such other order or orders, as the NCLT may deem fit for bringing this Scheme into effect. Upon this Scheme becoming effective, the shareholders and the creditors of the Companies shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the specific provisions contained in this Scheme.

**16. MODIFICATIONS / AMENDMENTS TO THE SCHEME**

- 16.1. The Companies, acting through their respective Boards of Directors, or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, may, jointly and as may be mutually agreed in writing, assent to any modifications or amendments to this Scheme, which the respective NCLTs, and/or any other Governmental Authorities may deem fit to direct or impose, or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise in implementing and/or carrying out this Scheme. The Companies, acting through their respective Boards of Directors, be and are hereby authorised to take all such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any orders of the respective NCLT or of any directive or orders of or any other Governmental Authorities or otherwise howsoever, arising, out of, under, or by virtue of this Scheme and/or any matters related to or connected therewith.
- 16.2. If, at any time, before or after the Effective Date, any provisions or parts of this Scheme are found to be, or interpreted to be, invalid or illegal or inconsistent with any Applicable Laws, or rejected, or unreasonably delayed, or not sanctioned by any of the NCLTs, or is or becomes unenforceable, under present or future Applicable Laws, or due to any change in any Applicable Laws, then it is the intention of the Companies that such part shall be severable from the remainder of this Scheme and subject to other parts/provisions of this Scheme not to be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any of the Companies in the sole opinion of the Board of Directors of the relevant Companies. In such a case, the Companies, acting through their respective Boards of Directors, may, at their discretion, either bring about such modification in this Scheme, as is likely to best preserve for the relevant Companies, the benefits and obligations of this Scheme and/or withdraw the Scheme or any part thereof, wholly or partially.
- 16.3. The Companies, acting through their respective Boards of Directors, shall each be at liberty to withdraw this Scheme, wholly or partially, in case any condition or alteration imposed by any of the NCLTs, or any other Governmental Authority is unacceptable to any of them or otherwise if so decided by their respective Board of Directors. In the event any parts or provisions of this Scheme are withdrawn and the Companies decide to implement the remaining Parts or provisions of this Scheme, to the extent of such withdrawn provisions, this Scheme shall become null and void and no rights or liabilities whatsoever shall accrue to, or be incurred by, the relevant Companies, their respective shareholders and/or creditors and/or any other persons with respect to such provisions or parts of the Scheme.

**17. EFFECT OF NON-RECEIPT OF APPROVALS/SEVERABILITY**

- 17.1. In the event any of the sanctions, consents or approvals referred to in Clause 15 above are not obtained or received and/or the Scheme, or any part thereof, has not been sanctioned by any of the NCLTs, the Board of Directors of each of the Companies, shall, by mutual agreement,



determine whether:

- (i) this Scheme shall stand revoked and cancelled in entirety and shall be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or under Applicable Law and in such event, each Company shall bear and pay its respective costs, charges and expenses for and in connection with the Scheme; or
- (ii) such part shall be severable from the remainder of the Scheme and the remainder of the Scheme shall not be affected thereby, unless the deletion of such part shall cause the Scheme to become materially adverse to any of the Companies, in which case each of the Companies (acting through their respective Boards of Directors) shall attempt to bring about a modification in the Scheme, as will best preserve for the Companies, the benefits and obligations of this Scheme, including but not limited to such Part. Provided, however, that no modification to the Scheme shall be made which adversely affects the rights or interests of the secured creditors, without seeking their approvals.

#### 18. COMPLIANCE WITH LAWS

- 18.1. This Scheme is presented and drawn up to comply with the provisions/requirements of Sections 230 to 232 and other applicable provisions of the Act, for the purpose of amalgamation of the Amalgamating Companies into and with the Amalgamated Company; and other actions incidental thereto or connected therewith.
- 18.2. This Scheme has been drawn up to comply with the conditions relating to 'amalgamation' with respect to PART B as defined under Section 2(1B) of the IT Act. The Companies undertake to comply with all Applicable Laws, including making the requisite intimations and disclosures to any statutory or regulatory authority and obtaining the requisite consent, approval or permission of the central government, RBI (if required) or any other statutory or regulatory authority, which by Applicable Law may be required for the implementation of this Scheme.

#### 19. SAVING OF CONCLUDED TRANSACTIONS

Except as expressly provided hereunder, the transfer of assets, liabilities and obligations of each of the Amalgamating Companies, and the continuance of proceedings by or against, the Amalgamating Companies shall not affect any transaction or proceeding already concluded by the respective Amalgamating Companies on or before the Appointed Date or after the Appointed Date and until the Effective Date, and to such end and intent the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by and/or on behalf of the Amalgamating Companies as acts, deeds and things done and executed on behalf of itself.

#### 20. POWER TO GIVE EFFECT TO THIS SCHEME

- 20.1. The Amalgamated Company may, at any time after this Scheme becomes effective in accordance with the provisions hereof and as the successor entity of the Amalgamating Companies, if deemed necessary by it, and as a matter of process, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which any of the Amalgamating Companies has been a party, including any filings with the Governmental Authorities, in order to give formal effect to the provisions of this Scheme. The Amalgamated Company shall, under the provisions hereof, be deemed to be authorised to execute any such writings in the name of and on behalf of the Amalgamating Companies and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Companies *inter alia* in its capacity as the successor entity of each of the Amalgamating Companies. The Amalgamating Companies and Amalgamated Company, as the



case may be, shall make appropriate filings with the Governmental Authorities in order to give formal effect to this Scheme, and the relevant Governmental Authorities shall take on record the same, and shall make and duly record the necessary substitution/endorsement in the name of the Amalgamated Company upon this Scheme becoming effective in accordance with the terms hereof.

- 20.2. The Amalgamated Company shall, at any time after this Scheme becomes effective in accordance with the provisions hereof and as the successor entity of the Amalgamating Companies, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, rights, entitlements, licenses and certificates which were held or enjoyed by such Amalgamating Companies. For the avoidance of doubt, it is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause 20.2, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Amalgamated Company pursuant to the sanction of this Scheme by the Tribunal, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Amalgamated Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of each of the Amalgamating Companies and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard *inter alia* in its capacity as the successor entity of the Amalgamating Companies.

21. **COSTS**

All costs, charges, taxes including stamp duty, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in connection with implementing this Scheme and matters incidental thereto shall be borne as may be mutually agreed by the Amalgamating Companies and the Amalgamated Company.

22. **SCHEME AS AN INTEGRAL WHOLE AND SEVERABILITY**

The provisions contained in this Scheme are inextricably inter-linked with the other provisions and this Scheme constitutes an integral whole, except to the extent that the Companies may agree otherwise in writing.

