

SCHEME OF AMALGAMATION

By way of Merger by Absorption

AMONG

TCNS CLOTHING CO. LIMITED

... TRANSFEROR COMPANY

ADITYA BIRLA FASHION AND RETAIL
LIMITED

... TRANSFEREE COMPANY

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013

PART I

GENERAL

A. Preamble

This Scheme (*as defined hereinafter*) is presented under Sections 230 to 232 and other applicable provisions of the Act (*as defined hereinafter*) read with relevant rules made thereunder, as may be applicable, and also read with Section 2(1B) and other relevant provisions of the Income Tax Act (*as defined hereinafter*), as may be applicable, between TCNS Clothing Co. Limited ("**Transferor Company**"), Aditya Birla Fashion and Retail Limited ("**Transferee Company**"), and their respective shareholders and creditors. This Scheme provides, amongst other matters, for the amalgamation by way of merger by absorption of the Transferor Company on a going concern basis into the Transferee Company and the consequent issuance of equity shares in consideration by the Transferee Company to the shareholders of the Transferor Company under Sections 230 to 232 and other applicable provisions of the Act and SEBI Scheme Circular.



B. Description of Parties

1. The Transferor Company is a public company, limited by shares, incorporated under the Companies Act 1956, under corporate identification number L99999DL1997PLC090978 and having its registered office at 119, New Manglapuri, W House Mandi Road, Sultanpur, Mehrauli New Delhi 110030. The equity shares of the Transferor Company are listed on the Stock Exchanges (*as defined hereinafter*). The Transferor Company is engaged in the Transferor Company Business (*as defined hereinafter*). It is contemplated that the Transferee Company shall hold 51% (fifty one percent) of the Expanded Share Capital of the Transferor Company prior to filing of the Scheme with the Tribunals in terms hereof.
2. The Transferee Company is a public company, limited by shares, incorporated under the Companies Act 1956, under corporate identification number L18101MH2007PLC233901 and having its registered office at Piramal Agastya Corporate Park, Building A, 4th and 5th Floor, Unit No. 401, 403, 501, 502, L.B.S Road, Kurla Mumbai Maharashtra - 400070. The equity shares of the Transferee Company are listed on the Stock Exchanges (*as defined hereinafter*). The non-convertible debentures of the Transferee Company are listed on BSE Limited ("BSE"), the details of which are set out in Schedule A ("Listed NCDs"). The Transferee Company is engaged in the Transferee Company Business (*as defined hereinafter*).

C. Description of the Scheme

3. This Scheme provides, *inter alia*, for:

- (i) the amalgamation of the Transferor Company into the Transferee Company, by way of merger by absorption and dissolution of the Transferor Company without winding up and the consequent issuance of the Merger Consideration Shares (*as defined hereinafter*) in accordance with the Share Exchange Ratio (*as defined hereinafter*) to the Eligible Shareholders (*as defined hereinafter*), in respect of each share of the Transferor Company held by them in accordance with this Scheme ("Amalgamation"); and
- (ii) various other matters incidental, consequential or otherwise integrally connected therewith, including the increase in the share capital of the Transferee Company,

pursuant to Sections 230 to 232 and other relevant provisions of the Act in the manner provided for in this Scheme and in compliance with the provisions of the Income Tax Act.

4. The Amalgamation of the Transferor Company into the Transferee Company shall be in full compliance with the conditions relating to "amalgamation" as provided under Section 2(1B) and other related provisions of the Income Tax Act such that, *inter alia* upon this Scheme becoming effective, and with effect from the Appointed Date:
 - (i) all the properties of the Transferor Company, immediately before the Amalgamation, shall become the properties of the Transferee Company, by virtue of the Amalgamation;
 - (ii) all the Liabilities of the Transferor Company, immediately before the Amalgamation, shall become the liabilities of the Transferee Company, by virtue of the Amalgamation; and
 - (iii) shareholders holding at least three-fourths in value of the shares in the Transferor Company (other than shares already held therein immediately before the amalgamation by the Transferee Company), will become shareholders of the Transferee Company by virtue of the Amalgamation.



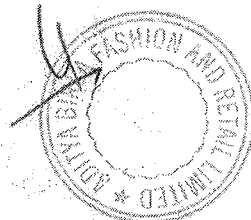
5. If, at a later date, any of the terms or provisions of this Scheme is / are found or interpreted to be inconsistent with the provisions of Section 2(1B) of the Income Tax Act, including resulting from any amendment of law or for any other reason whatsoever, the provisions of Section 2(1B) of the Income Tax Act shall prevail and the Scheme shall stand modified to the extent determined to comply with the provisions of Section 2(1B) of the Income Tax Act.

D. Rationale for the Scheme

6. The Amalgamation pursuant to this Scheme would, *inter alia*, have the following benefits:
- (i) Strengthening of organizational capabilities around operational and financial areas, driving scale benefits through leveraging resources;
 - (ii) Enabling coverage of complementary markets and consumer segments in line with focused strategy of building a comprehensive apparel portfolio; entering newer markets and driving penetration;
 - (iii) Creating revenue synergies through sharing of consumer understanding, market insights, channel models to ensure faster go to market and achieve faster growth with fewer resources;
 - (iv) Driving synergy benefits around back-end such as procurement, logistics, supply chain, technology operations and shared services; driving optimal utilization of resources and building centers of excellence for a larger company;
 - (v) Enhancing organizational capabilities arising from pooling of talent and human capital with diverse skill sets and experience in areas such as design, sourcing and consumer insights, providing strength to operate strongly in a highly fragmented market;
 - (vi) Enabling more coordinated and comprehensive business management with clear focus on driving common goals around building best quality products, wide distribution, efficient operations, brand building; allowing for more efficient allocation of capital and resources for growth;
 - (vii) Driving channel efficiencies by providing opportunity to cross-sell products across markets;
 - (viii) Streamlining of legal, compliance and other statutory functions to allow a more coordinated approach towards governance for the businesses;
 - (ix) Post Scheme, Transferee Company to become a platform for building category-led business and be better placed to adequately finance the growth prospects of the business;
 - (x) Driving cost synergies and reducing overlaps between businesses.

E. Parts of the Scheme

7. This Scheme is divided into the following parts:
- (i) **Part I**, deals with the definitions used in this Scheme, and sets out the share capital of the Transferor Company and the Transferee Company;
 - (ii) **Part II**, deals with the Amalgamation of the Transferor Company into the Transferee Company;
 - (iii) **Part III**, deals with the consideration payable by the Transferee Company to the equity shareholders of the Transferor Company and cancellation of shares of the Transferor Company;
 - (iv) **Part IV**, deals with the changes to share capital of the Transferee Company and accounting treatment for the Amalgamation; and



- (v) **Part V**, deals with the dissolution of the Transferor Company, general terms and conditions applicable to the Scheme.

F. Definitions

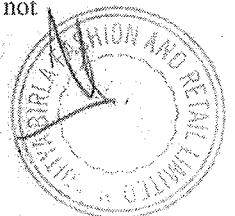
8. In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

- (A) **"Act"** means the Companies Act, 2013 and any rules, regulations, circulars or guidelines issued thereunder, as amended from time to time and shall include any statutory replacement or re-enactment thereof;
- (B) **"Amalgamation"** shall have the meaning ascribed to it in Clause 3(i) above;
- (C) **"Applicable Law"** includes all statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, Consents, bye-laws, regulations, notifications, guidelines, ordinance, policies, directions, directives, circulars, notifications and orders promulgated by a Governmental Authority (or any sub-division thereof), statutory authority, tribunal, board, court or Stock Exchanges, which are in force and binding at the relevant time, and as may be applicable;
- (D) **"Appointed Date"** shall mean the Effective Date or such other date as may be approved by the Tribunals;
- (E) **"Board"** in relation to any company, means the board of directors of such company and shall, unless repugnant to the context thereof, include a committee of directors duly authorised by such board;
- (F) **"CCI"** means the Competition Commission of India;
- (G) **"Clause"** means a clause of this Scheme;
- (H) **"Consent"** means any notice, consent, approval, permission, authorisation, waiver, permit, clearance, no objection, license, exemption, of, from or to any Person;
- (I) **"Contract"** means any agreement, contract, sub-contract, arrangement, instrument, understanding, commitment, purchase order, work order, warranty, insurance, lease, license, undertaking or commitment of any nature (whether or not the same is absolute, revocable, contingent, conditional, binding or otherwise (whether written or otherwise), including all amendments and modifications thereto), to which the Transferor Company is a party or by which any of the assets held by the Transferor Company are bound;
- (J) **"Effective Date"** means the date on which the last of the certified copies of the Sanction Orders is filed with the RoC in accordance with Clause 33. References in this Scheme to the date of **"coming into effect of this Scheme"** or **"effectiveness of this Scheme"** or **"upon the Scheme becoming effective"** or **"the Scheme coming into effect"** shall mean the Effective Date;
- (K) **"Eligible Shareholder(s)"** means each Person (other than the Transferee Company) whose name appears: (i) in the register of members of the Transferor Company; and / or (ii) as the beneficial owner of the Transferor Company Shares in the record of the depositories, on the Record Date;
- (L) **"Encumbrance"** means any form of legal or equitable encumbrance or security interest including any mortgage, pledge, hypothecation, assignment by way of security, non-



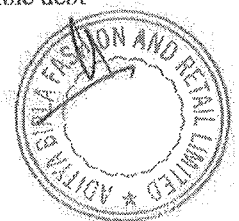
disposal undertaking, escrow, charge, lien or other security interest or encumbrance of any kind securing any obligation of any Person (including, without limitation, any right granted by a transaction or other type of preferential arrangement or interest of any nature whatsoever which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law), outstanding Taxes (which have become due and payable), option, pre-emptive right, proxy, power of attorney, voting agreement, right of first offer, first, last or other refusal right, or transfer restriction in favour of any Person, beneficial ownership, adverse claim, title retention agreement, conditional sale agreement, any provisional, conditional or executorial attachment, trust (other title exception of whatsoever nature), any agreement to create any of the foregoing or any adverse claim as to title, possession or use and the term **"Encumber"** shall be construed accordingly;

- (M) **"ESOP"** means employee stock options;
- (N) **"Expanded Share Capital"** means the total equity share capital of a company on a fully diluted basis (which in relation to ESOPs, shall include only the ESOPs which have vested and shall not include the ESOPs which remain unvested) as of the 10th working day from the closure of the tendering period for the open offer by the Transferee Company (which may change on account of any future corporate actions and vesting or exercise of ESOPs);
- (O) **"Funds"** shall have the meaning set forth in Clause 17(ii);
- (P) **"Governmental Authority"** means any supra national, national, state, municipal or local government authority (including any subdivision, court, administrative or regulatory agency or commission or other authority thereof), quasi government authority, statutory authority, regulatory authority, agency, government department, board, commission, administrative authority, tribunal or court or any authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, having or purporting to have jurisdiction on behalf of the Republic of India or any state or province or other political subdivision thereof or any municipality, district or other subdivision thereof or in any other nation, over the Party, including SEBI and CCI;
- (Q) **"Governmental Order"** means any judgment, order, writ, injunction, decree, decision, comments or other requirement of any Governmental Authority (or, as the context requires, any Governmental Authority specified);
- (R) **"Income Tax Act"** means the Income Tax Act, 1961, as may be amended or supplemented from time to time (and any successor provisions), including any re-enactment thereof, together with all applicable by-laws, rules, regulations, circulars, notifications, orders, ordinances, policies, directions and similar Applicable Laws or supplements issued thereunder;
- (S) **"Liabilities"** shall have the meaning set forth in Clause 14(i);
- (T) **"Long Stop Date"** shall mean where: (i) the requisite regulatory approval(s) for the acquisition of 51% of the Expanded Share Capital of the Transferor Company by the Transferee Company (**"Requisite Regulatory Approvals"**) are obtained within 9 (nine) months from the date of approval of such acquisition by the Board of the Transferee Company, i.e. being February 5, 2024 (**"Board Approval Date"**), the date of expiry of 30 (thirty) Business Days from the Open Offer Completion Date or such other later date as may be mutually agreed in writing between the Transferor Company and the Transferee Company, or (ii) the Requisite Regulatory Approval(s) are not



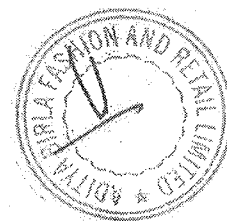
obtained within 9 (nine) months from the Board Approval Date, the date of expiry of 9 (nine) months from the Board Approval Date or such other later date as may be mutually agreed in writing between the Transferor Company and the Transferee Company;

- (U) **"Merger Consideration Shares"** means such number of Transferee Company Shares (as defined hereinafter) that an Eligible Shareholder is entitled to receive based on the Share Exchange Ratio (as defined hereinafter);
- (V) **"Merger Long Stop Date"** means expiry of 15 (fifteen) months from the last of the dates of filing of the Scheme with the respective Tribunal, or such other date as may be mutually agreed in writing between the Parties;
- (W) **"Open Offer Completion Date"** shall mean the date on which the public shareholders who have tendered the Transferor Company Shares held by them in the open offer by the Transferee Company are paid the consideration therefor and in any event shall be no later than the date on which the offer period expires in relation to such open offer;
- (X) **"Person"** means any individual or other entity, whether a corporation, firm, company, joint venture, trust, association (including unincorporated association), organization, partnership or proprietorship, body corporate, corporation (including any non-profit corporation), estate, society, firm, or any other enterprise or other entity, including any governmental agency or regulatory body, in each case, whether or not having separate legal personality and whether acting in an individual, fiduciary or other capacity;
- (Y) **"Proceedings"** shall have the meaning set forth in Clause 16(i);
- (Z) **"Record Date"** shall mean the date fixed by the Board of the Transferee Company in consultation with the Transferor Company for the purpose of determining the shareholders of the Transferor Company to whom the Merger Consideration Shares shall be allotted under this Scheme;
- (AA) **"RoC"** means the Registrar of Companies;
- (BB) **"Sanction Orders"** means the orders of the Tribunals approving the Scheme;
- (CC) **"Scheme"** means this scheme of amalgamation by way of merger by absorption including any modification or amendment hereto, made in accordance with the terms hereof;
- (DD) **"SEBI"** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992, as amended from time to time;
- (EE) **"SEBI LODR Regulations"** means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and any re-enactment, amendments and modifications thereto, as in effect from time to time;
- (FF) **"SEBI Scheme Circular"** means the circular number SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 issued by SEBI on scheme of arrangement by listed entities (and any amendments and modifications thereto and any other applicable circular, as in effect from time to time);
- (GG) **"SEBI Scheme Circular - Debt"** means circular no. SEBI/HO/DDHS/DDHSDiv1/P/CIR/20 22/0000000103 dated July 29, 2022 issued by SEBI on scheme of arrangement by entities who have listed their non-convertible debt

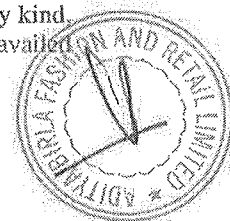


securities / non-convertible redeemable preference shares (and any amendments and modifications thereto and any other applicable circular, as in effect from time to time);

- (HH) **"Share Exchange Ratio"** means for every 6 Transferor Company Shares, 11 Transferee Company Shares to be issued, as determined by the Valuation Reports and the fairness opinions;
- (II) **"Stock Exchanges"** means the BSE Limited and National Stock Exchange of India Limited;
- (JJ) **"Tax"** means and includes all taxes on income, profit, sales, use, goods, services, asset, capital gains, fringe benefit, gift, gratuity, provident fund, minimum alternate tax, buyback distribution tax, securities transaction tax, dividend distribution tax, withholding taxes, tax collected at source, equalization levy, property tax, value-added tax, sales tax, transfer taxes, goods and service tax, duties of custom and excise, octroi duty, wealth tax, entry tax, stamp duty, customs and similar charges of any jurisdiction, and other governmental charges or duties, levies, imposts or other taxes whether direct or indirect, whether central, state or local, including any surcharge or cess (including education cess, health and education cess, secondary and higher education cess) thereon, together with any interest and any penalties, additions to tax or additional amount with respect thereto; including payable in a representative capacity;
- (KK) **"Transferee Company"** shall have the meaning ascribed to it in Clause A above;
- (LL) **"Transferee Company Business"** means the business of manufacturing, marketing, sales and/or distribution of fashion apparel, footwear and accessories through offline and/or online channels including wholesale, retail and e-commerce under multiple owned and licenced brands;
- (MM) **"Transferee Company ESOP Plans"** means Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2017 and Aditya Birla Fashion and Retail Limited Employee Stock Option Scheme 2019;
- (NN) **"Transferee Company Shares"** means fully paid up equity shares of the Transferee Company having a par value of INR 10 (Indian Rupees Ten only) per equity share and one vote per equity share, and listed on each of the Stock Exchanges and **"Transferee Company Share"** means each such share;
- (OO) **"Transferee Company Stock Options"** means the employee stock options granted by the Transferee Company under Transferee Company ESOP Plans and / or under the Transferee Company Stock Options Plan as per Clause 24 of this Scheme, as the case may be;
- (PP) **"Transferor Company"** shall have the meaning ascribed to it in Clause A above;
- (QQ) **"Transferor Company Business"** means (a) the business of manufacturing, distribution and sale of women's apparel, jewellery, footwear and beauty products, in any manner and through any format, currently undertaken under brands "W", "Wishful", "Aurelia", "Elleven" and "Folksong"; (b) the business of wholesale cash and carry trading (including sale through franchisee outlets) of women's apparel, jewellery, footwear and beauty products, in any manner and through any format;
- (RR) **"Transferor Company Employees"** means all the employees of the Transferor Company as on the Effective Date;



- (SS) **"Transferor Company ESOP Plans"** means TCNS ESOP Scheme 2014-2017 (as amended on February 11, 2022) and the TCNS ESOP Scheme 2018-2023 (as amended on February 11, 2022 and July 30, 2022);
- (TT) **"Transferor Company Shares"** means fully paid up equity shares of the Transferor Company having a par value of INR 2 (Indian Rupees Two only) per equity share and one vote per equity share, and listed on each of the Stock Exchanges and **'Transferor Company Share'** means each such share;
- (UU) **"Transferor Company Stock Options"** means the employee stock options granted by the Transferor Company under the Transferor Company ESOP Plans;
- (VV) **"Tribunals"** means the Mumbai bench of the National Company Law Tribunal and the Delhi bench of the National Company Law Tribunal, and shall include, if applicable, such other forum or authority as may be vested with the powers of a National Company Law Tribunal under the Act, and **"Tribunal"** shall mean each of them individually;
- (WW) **"Undertaking"** means all the undertakings and entire business of the Transferor Company, as a going concern, and shall include (without limitation):
- (i) all assets and properties (whether movable or immovable, tangible or intangible, present or future, in possession or reversion, of whatsoever nature and wherever situate) of the Transferor Company, including investments of all kinds including but not limited to securities (marketable or not), securitized assets, receivables and security receipts, mutual fund investments, all cash and bank balances (including cash and bank balances deposited with any banks or entities), money at call and short notice, loans, advances, contingent rights or benefits, reserves, provisions, funds, benefits of all agreements, bonds, debentures, debenture stock, units or pass through certificates, lands, buildings, structures and premises, whether leasehold or freehold (including offices, warehouses, sales and / or marketing offices, liaison offices, branches, factories), work-in-progress, current assets (including sundry debtors, bills of exchange, loans and advances), fixed assets, vehicles, furniture, fixtures, share of any joint assets, and other facilities;
 - (ii) all permits, registrations, rights, entitlements, licenses, permissions, approvals, subsidies, concessions, clearances, credits, awards, sanctions, allotments, quotas, no-objection certificates, subsidies, Tax deferrals, Tax credits, (including any credits arising from advance Tax, self-assessment Tax, other income Tax credits, withholding Tax credits, CENVAT credits, goods and services Tax credits, other indirect Tax credits and other Tax receivables), other claims under Tax laws, incentives (including incentives in respect of income Tax, sales Tax, value added Tax, service Tax, custom duties and goods and services Tax), benefits, Tax exemptions, Tax refunds (including those pending with any Tax authority), advantages, and all other rights and facilities of every kind, nature and description whatsoever; authorities, Consents, deposits, privileges, exemptions available to the Transferor Company, receivables, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, email, internet, leased line connections and installations, electricity and other services, provisions and benefits of all engagements, agreements, contracts, letters of intent, memoranda of understanding, cheques and other negotiable instruments (including post-dated cheques), benefit of assets or properties or other interest held in trust, benefit of any security arrangements, expressions of interest whether under agreement or otherwise, and arrangements and all other interests of every kind, nature and description whatsoever enjoyed or conferred upon or held or availed



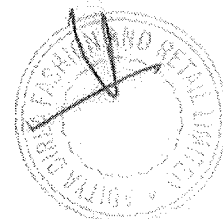
of by and all rights and benefits;

- (iii) all contracts, agreements, memoranda of undertakings, memoranda of agreements, arrangements, undertakings, whether written or otherwise, deeds, service agreements, or other instruments (including all tenancies, leases, and other assurances in favour of the Transferor Company or powers or authorities granted by or to it) of whatsoever nature along with any contractual rights and obligations, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect immediately before the Appointed Date;
 - (iv) all intellectual property rights including patents, copyrights, trade and service names, service marks, trademarks, domain names and other intellectual property of any nature whatsoever, goodwill, receivables, belonging to or utilized for the business and activities of the Transferor Company;
 - (v) all records, files, papers, computer programs, software licenses, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers, suppliers and employees, customer credit information, customer pricing information, and other records whether in physical or electronic form belonging to or held by the Transferor Company;
 - (vi) all present, and contingent future liabilities of the Transferor Company including all debts, loans (whether denominated in rupees or a foreign currency), term deposits, time and demand liabilities, borrowings, bills payable, interest accrued and all other duties, liabilities, undertakings and obligations (including any postdated cheques or guarantees, letters of credit, letters of comfort or other instruments which may give rise to a contingent liability in whatever form); and
 - (vii) the Transferor Company Employees and the Funds of the Transferor Company; and
- (XX) "Valuation Report" means a joint valuation report issued by GT Valuation Advisors Private Limited, Independent Chartered Accountant and Bansi S. Mehta & Co., Chartered Accountants, Independent Chartered Accountant dated May 04, 2023 in relation to the valuations of the Transferor Company and the Transferee Company, respectively, for the purposes of determining the Share Exchange Ratio.

9. Share Capital

- (i) The share capital structure of the Transferor Company as on May 05, 2023 is as follows:

Particulars	Amount in INR
Authorised Share Capital:	
18,00,00,000 equity shares of INR 2 each	36,00,00,000
2,00,00,000 preference shares of INR 1 each	2,00,00,000
TOTAL	38,00,00,000



Issued, Subscribed and Paid-up Share Capital:	
6,17,23,668 equity shares of INR 2 each	12,34,47,336
TOTAL	12,34,47,336

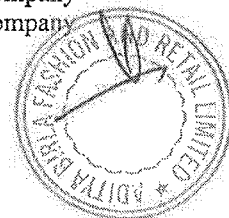
The equity shares of the Transferor Company are listed on Stock Exchanges.

- (ii) The aforesaid issued, subscribed, and paid-up share capital of the Transferor Company does not include Transferor Company Stock Options outstanding for exercise under the Transferor Company ESOP Plans that have been issued by the Transferor Company. Upon exercise of the Transferor Company Stock Options in accordance with the terms and conditions of the relevant Transferor Company ESOP Plan, the Transferor Company shall be required to issue fully paid-up equity shares of the Transferor Company in accordance with the terms and conditions of the Transferor Company ESOP Plans and accordingly the issued, subscribed, and paid-up share capital of the Transferor Company may undergo a change.
- (iii) The share capital structure of the Transferee Company as on May 05, 2023 is as follows:

Particulars	Amount (in INR)
Authorised Share Capital:	
2,00,00,00,000 equity shares of INR 10 each	20,00,00,00,000
1,00,00,000 8% Redeemable Cumulative Preference Shares of INR 10 each	10,00,00,000
15,000 6% Redeemable Cumulative Preference Shares of INR 100 each	15,00,000
TOTAL	20,10,15,00,000
Issued and Subscribed Share Capital:	
94,90,19,167 equity shares of INR 10 each	949,01,91,670
5,00,000 8% Redeemable Cumulative Preference Shares of INR 10 each	50,00,000
500 6% Redeemable Cumulative Preference Shares of INR 100 each	50,000
TOTAL	9,49,52,41,670
Fully Paid-up Share Capital:	
94,88,13,663 equity shares of INR 10 each	948,81,36,630
5,00,000 8% Redeemable Cumulative Preference Shares of INR 10 each	50,00,000
500 6% Redeemable Cumulative Preference Shares of INR 100 each	50,000
TOTAL	9,49,31,86,630

The equity shares of the Transferee Company are listed on Stock Exchanges.

- (iv) The aforesaid issued, subscribed, and paid-up share capital of the Transferee Company does not include the ESOPs outstanding for exercise under the Transferee Company



ESOP Plans. Upon exercise of the Transferee Company Stock Options in accordance with the terms and conditions of the relevant Transferee Company ESOP Plans, the Transferee Company shall be required to issue fully paid-up equity shares of the Transferee Company in accordance with the terms and conditions of the Transferee Company ESOP Plans and accordingly the issued, subscribed, and paid-up share capital of the Transferee Company may undergo a change.

G. Date of taking Effect and operative date of the Scheme

The Scheme shall be effective from the Appointed Date and shall be operative from the Effective Date.

PART II

AMALGAMATION OF THE TRANSFEROR COMPANY INTO THE TRANSFEE COMPANY

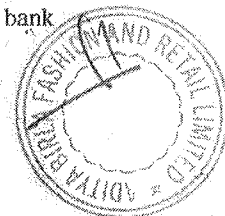
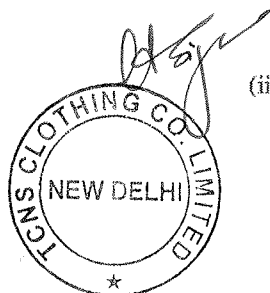
10. Transfer of Undertaking

Upon this Scheme becoming effective from the Effective Date, and with effect from the Appointed Date, and subject to the provisions of this Scheme, the Transferor Company shall stand amalgamated into the Transferee Company and its Undertaking shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in the Scheme, and in accordance with Sections 230 to 232 and other applicable provisions of the Act, the Income Tax Act, 1961 and Applicable Law.

11. Transfer of Assets

Without prejudice to the generality of Clause 10 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (i) all the estate, assets, rights, claims, title, interest, properties, and authorities comprised in the Undertaking shall, under the Sections 230 to 232 and other applicable provisions of Applicable Law, without any further act, instrument, or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest, properties, and authorities of the Transferee Company;
- (ii) all assets of the Transferor Company, as are movable in nature (including investment in shares and marketable securities) or incorporeal property or are otherwise capable of transfer by physical or constructive delivery, novation and / or by endorsement and delivery or by vesting and recordal or by operation of law pursuant to this Scheme, shall stand transferred to and vested in and / or be deemed to be transferred and vested in the Transferee Company and shall become the property and an integral part of the Transferee Company, with effect from the Appointed Date, pursuant to Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law, if any, without any further act, instrument, or deed for transfer of the same;
- (iii) all other movable assets of the Transferor Company, including actionable claims, earnest monies, receivables, bills, sundry debtors, credits, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank

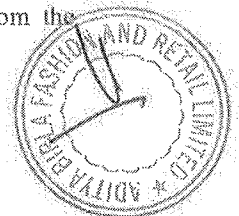


balances and deposits, if any, with Governmental Authority, customers and any other Persons, shall without any further act, instrument, or deed, become the property of the Transferee Company, with effect from the Appointed Date, pursuant to Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law, if any, without any further act, instrument, or deed for transfer of the same, and appropriate entries should be passed in their respective books to record the aforesaid change, without any notice or other intimation to such debtors. The Transferor Company shall, upon receipt of the Sanction Orders, be entitled to the delivery and possession of all documents of title of such movable property in this regard. The Transferor Company shall, upon the receipt of the Sanction Orders, if so required, also give notice in such form as it may deem fit and proper to the debtors or obligor or any other Person, that pursuant to the Sanction Orders, the said debtors should pay to the Transferee Company the debt, investment, loan, claim, bank balances and deposit or advance or make the same on account of the Transferor Company and the right of the Transferor Company to recover and realize the same stands vested in the Transferee Company;

- (iv) all immovable properties (including land, together with buildings and structures standing thereon), and rights, title and interests thereon or embedded to the land and all rights, title and interests and claims in any immovable properties of the Transferor Company, whether or not included in the books of the Transferor Company, whether freehold or leasehold or licensed or right of way or otherwise, all tenancies, and all documents of title, lease or license or rent agreements, security deposits, advance, prepaid lease / license fee, rights and easements in relation thereto, shall stand transferred to and vested in and / or be deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed to be done or executed by the Transferor Company and / or the Transferee Company on the same terms and conditions. The Transferee Company shall be entitled to and shall exercise all rights and privileges attached thereto including refund of any security deposits, advance, prepaid fee and shall be liable to pay the appropriate rent, rates and taxes and fulfill all obligations in relation to or applicable to such immovable properties. Notwithstanding anything contained in this Scheme and without prejudice to the provisions of this Clause 11(iv), in respect of such of the immovable properties of the Transferor Company as the Board of the Transferee Company may determine, whether owned or leased, the concerned parties, shall execute and register or cause so to be done, separate deeds of conveyance or deed of assignment of lease, as the case may be, executed on or after the Effective Date, in favour of the Transferee Company. Each of the immovable properties, only for the payment of stamp duty, shall be deemed to be conveyed at a consideration being the fair market value of such properties (arrived at by a government approved independent valuer). The execution of such conveyance shall form an integral part of the Scheme. Upon this Scheme becoming effective, the title to all immovable properties shall be deemed to have been mutated and recognized as that of the Transferee Company and the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Governmental Authority shall suffice as record of continuing titles with the Transferee Company and shall be constituted as a deemed mutation and substitution thereof. The relevant Governmental Authorities may rely on the Scheme along with the copy of the Sanction Orders, to make necessary mutation entries and changes in the land or revenue records to reflect the name of the Transferee Company as the owner or lessee (as the case may be) of the immovable properties;

(v)

any assets, right, title, interest, investments and properties acquired by the Transferor Company after the Appointed Date but prior to the Effective Date, whether or not included in the books of the Transferor Company (as the case may be) shall, without any further act, instrument or deed stand transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the



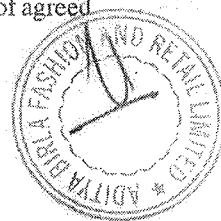
Appointed Date, pursuant to Sections 230 to 232 of the Act and other applicable provisions of the Applicable Law;

- (vi) the Transferee Company will be entitled to all intellectual property of the Transferor Company, including patents, trade and service marks, logo, domain names, database rights, copyrights, trade secrets, know-how, brands, marketing authorisations, marketing tangibles, designs, industrial designs, software, confidential processes, inventions, licenses, computer programs, manuals, data, catalogues, sales material and any other intellectual property or proprietary right whether owned by, licensed or assigned to the Transferor Company, whether or not the same are registered, along with all rights or commercial nature including those attached to goodwill, title, interest, labels and brands registrations, and all such other industrial or intellectual rights of whatsoever nature, and all intellectual property of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in the Transferee Company. Necessary filings, intimations, updates, etc., as may be required in terms of Applicable Law shall be undertaken with the relevant Governmental Authority, in order to reflect the foregoing and shall be carried out by the Transferee Company and Transferor Company, as may be applicable;
- (vii) all goodwill and past track record of the Transferor Company, including without limitation, the profitability, experience, credentials and market share, shall, without any further act, instrument or deed, stand transferred to and vested in the Transferee Company and shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes including the purpose of eligibility, standing, evaluation and participation of the Transferee Company in all existing and future bids, tenders and contracts of all authorities, agencies and clients;
- (viii) all bank accounts operated or entitled to be operated by the Transferor Company shall be deemed to have been transferred and shall stand transferred to the Transferee Company and name of the Transferor Company shall be substituted by the name of the Transferee Company in the bank's records and the Transferee Company shall be entitled to operate all bank accounts, realize monies and complete and enforce all pending contracts and transactions in the name of the Transferor Company to the extent necessary until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under the Scheme is formally accepted and completed by the parties concerned. It is hereby clarified that all cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company on or after the Effective Date, shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company; and
- (ix) all letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, and other instrument of whatsoever nature to which the Transferor Company is a party to or to the benefit of which the Transferor Company may be eligible for, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.

12. **Transfer of Contracts, Deeds, etc.**

Without prejudice to the generality of Clause 10 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (i) subject to the provisions of this Scheme, all Contracts, deeds, bonds, agreements, schemes, memoranda of undertakings, memoranda of agreement, memoranda of agreed



points, letters of agreed points, bids, letter of intent, arrangements, undertakings whether written or otherwise, insurance policies, applications, and other instruments of whatsoever nature, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible or for the obligations of which the Transferor Company may be liable, and which are subsisting or have effect immediately before the Appointed Date, shall without any further act, instrument or deed continue in full force and effect on or against or in favour of, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto; and

- (ii) without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under the Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of Part II of this Scheme, be deemed to be authorised to execute any such writings as a successor of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

13. Transfer of Licenses and Approvals

Without prejudice to the generality of Clause 10 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (i) all approvals, allotments, Consents, concessions, clearances, credits, awards, sanctions, exemptions, benefits, tax deferrals, subsidies, incentives, refunds, grants, registrations, no-objection certificates, permits, quotas, rights, entitlements, assignments, authorisations, pre-qualifications, bids, acceptances, tenders, licenses (including the licenses granted by any Governmental Authority or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions, privileges, powers, facilities, special status, letter of allotments and certificates of every kind and description whatsoever in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, including the benefits of any applications made for any of the foregoing, shall be and remain in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. It is hereby clarified that if the Consent of any third party or Governmental Authority is required to give effect to the provisions of this Clause, the said party or the Governmental Authority shall make and duly record the necessary substitution / endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Tribunal, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications / documents with relevant authorities concerned for information and record purposes; and
- (ii) all statutory licenses, no-objection certificates, Consents, permissions, approvals, licenses, certificates, or clearances by the Governmental Authorities, issued to or executed in favour of the Transferor Company or any applications made for the same by the Transferor Company shall stand transferred to the Transferee Company, as if the

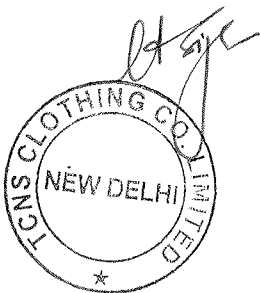


same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall make applications to any Governmental Authority as may be necessary in this behalf.

14. Transfer of Liabilities

Without prejudice to the generality of Clause 10 above, upon coming into effect of this Scheme and with effect from the Appointed Date:

- (i) all liabilities relating to and comprised in the Undertaking including all secured and unsecured debts (whether in Indian rupees or a foreign currency), sundry creditors, debentures, loans raised and used, duties and obligations of the Transferor Company of every kind, nature, and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations ("Liabilities"), whether or not recorded in its books and records shall, under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in and be deemed to be transferred to and vested in the Transferee Company to the extent that they are outstanding on the Appointed Date so as to become as and from the Appointed Date, the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company and the Transferee Company shall meet, discharge and satisfy the same and further 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 Liabilities have arisen in order to give effect to the provisions of this Clause 14;
- (ii) any Liabilities raised and used or incurred or undertaken by the Transferor Company 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 Transferee Company and, to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to Sections 230 to 232 of the Act and other applicable provisions of the Applicable Law, without any further act, instrument, or deed shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the Liability of the Transferee Company which shall meet, discharge and satisfy the same;
- (iii) where any of the Liabilities incurred before the Appointed Date by the Transferor Company, deemed to have been transferred to the Transferee Company by virtue of this Scheme, have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company;
- (iv) loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall stand discharged and come to an end on the Effective Date with effect from the Appointed Date and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company;
- (v) it is expressly provided that, save as mentioned in this Clause 14, no other term or conditions of the Liabilities of the Transferor Company transferred to the Transferee Company as part of the Scheme is modified by virtue of this Scheme except to the



extent that such amendment is required by necessary implications; and

- (vi) subject to the necessary Consents being obtained, if required, in accordance with the terms of this Scheme, Clause 14 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which shall stand superseded by the foregoing provisions.

15. Transfer of Encumbrances

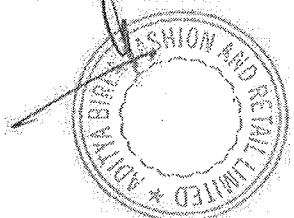
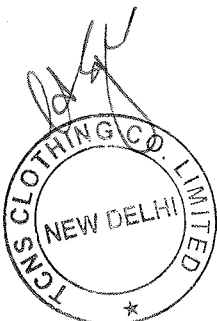
Without prejudice to the generality of Clause 10 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (i) the transfer and vesting of the assets comprised in the Undertaking to and in the Transferee Company under this Scheme shall be subject to the Encumbrances, if any, affecting the same, as and to the extent hereinafter provided;
- (ii) all Encumbrances over the Transferor Company's assets existing on the Effective Date, shall in so far as they secure or pertain to Liabilities of the Transferor Company, shall, after the Appointed Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company. Such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company;
- (iii) if any assets of the Transferor Company have not been Encumbered in respect of any Liabilities transferred pursuant to this Scheme, such assets shall remain unencumbered, and any existing Encumbrance shall not be extended to and shall not operate over such assets or to any other assets of the Transferee Company. The holders of security over the properties of the Transferee Company shall not be entitled to any additional security over the properties, assets, rights, benefits, and interests of the Transferor Company and therefore, assets of the Transferor Company or the Transferee Company which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company; and
- (iv) any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferor Company and the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and / or modification(s) of charge(s), with the RoC to give formal effect of the above provisions, if required.

16. Transfer of Legal and other Proceedings

Without prejudice to the generality of Clause 10 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (i) any suits, actions, claims, cause of actions, appeals, legal or other proceedings including before any statutory or quasi-judicial authority or tribunal other proceedings of whatsoever nature ("Proceedings") by or against the Transferor Company which is pending on the Effective Date or which may be instituted at any time in the future, shall not abate, be discontinued or be in any way prejudicially affected by reason of the Amalgamation or of anything contained in this Scheme, but the Proceedings may be



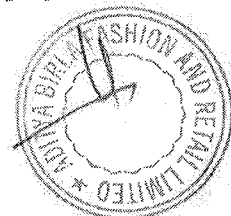
continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme has not been made;

- (ii) the Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company, which are capable of being continued by or against the Transferee Company, transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against the Transferee Company; and
- (iii) the Transferee Company shall be deemed to be authorised under this Scheme to execute any pleadings, applications, forms, etc., as are required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

17. Employees

Without prejudice to the generality of Clause 10 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (i) all Transferor Company Employees as on the Effective Date, shall become the employees of the Transferee Company, subject to the provisions hereof, on terms and conditions not less favorable than those on which they are engaged by the Transferor Company as on the Effective Date and without any interruption of, or break in service as a result of the Amalgamation. The past services of the Transferor Company Employees and benefits to which the employees are entitled in the Transferor Company shall be taken into account for the purpose of payment of any compensation, gratuity, and other terminal benefits by the Transferee Company;
- (ii) in so far as the provident fund, gratuity fund, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company for the Transferor Company Employees or to which the Transferor Company is contributing for the benefit of the Transferor Company Employees ("Funds") are concerned, all the contributions made to such Funds for the benefit of the Transferor Company Employees and the investments made by the Funds in relation to the Transferor Company Employees shall be transferred to the Transferee Company and shall be held for the benefit of the concerned Transferor Company Employee. If the Transferee Company has its own funds in respect of any of the Funds, such contributions and investments shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, be transferred to the relevant funds of the Transferee Company and shall be held for the benefit of the concerned Transferor Company Employee. It is hereby clarified that the services of all employees of the Transferor Company will be treated as having been continuous and uninterrupted for the aforesaid Funds;
- (iii) in relation to those Transferor Company Employees for whom the Transferor Company is making contributions to the government provident fund, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, including relating to the obligation to make contributions to the said government provident fund in accordance with the provisions of such government provident fund, such that all the rights, duties, powers and obligations of the Transferor Company in relation to such government provident fund shall become those of the Transferee Company; and
- (iv) Notwithstanding the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Law, shall be entitled to:



- (a) retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company; or
- (b) merge the pre-existing funds of the Transferor Company with other similar funds of the Transferee Company.

18. Inter-se Transaction

Without prejudice to the generality of Clause 10 above, in the event that the Appointed Date is prior to the Effective Date, upon the coming into effect of this Scheme and with effect from the Appointed Date until the Effective Date:

- (i) all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes;
- (ii) there will be no accrual of income or expense on account of any transactions, including, inter alia, any transactions in the nature of sale or transfer of any goods, materials or services, between the parties. For avoidance of doubt, it is hereby clarified that with effect from the Appointed Date, there will be no accrual of interest or other charges in respect of any inter se loans, deposits or balances between the parties;
- (iii) any liabilities, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company; and
- (iv) all inter-se contracts solely between the Transferor Company and the Transferee Company shall stand cancelled and cease to operate and appropriate effect shall be given in the books of accounts and records of the Transferee Company.

19. Treatment of Taxes

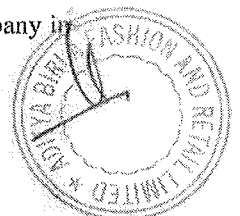
Without prejudice to the generality of Clause 10 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (i) all Taxes / cess / duties paid, payable, received or receivable by or on behalf of the Transferor Company, including all or any refunds, claims or entitlements as to tax credits, Taxes paid in advance, and / or Taxes deducted at source, and / or Taxes collected at source, including refunds or claims pending with the revenue authorities, if any, shall, for all purposes be treated as the Taxes / cess / duties, liabilities or refunds of the Transferee Company;
- (ii) the unutilized credits relating to excise duties paid on inputs lying to the account of Transferor Company as well as the unutilized credits relating to service tax / goods and service tax on input goods consumed by the Transferor Company shall be transferred to the Transferee Company automatically without any specific approval or permission, as an integral part of the Scheme;
- (iii) upon the scheme becoming effective:
 - (a) To the extent required, the Transferor Company and the Transferee Company



shall be permitted to revise and file their respective financial statements, income tax returns (including tax deducted at source or tax collected at source), withholding tax returns (including Tax deducted at source certificates), sales tax, value added tax, service tax, central sales tax, entry tax, goods and services tax returns and any other tax returns, if required to give effect to the provisions of the Scheme. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired; and

- (b) The Transferee Company shall be entitled to: (i) claim deduction with respect to items such as provisions, expenses, etc. disallowed in earlier years in the hands of the Transferor Company, which may be allowable in accordance with the provisions of the Income Tax Act on or after the Appointed Date; and (ii) exclude items such as provisions, reversals, etc. for which no deduction or Tax benefit has been claimed by the Transferor Company prior to the Appointed Date;
- (iv) upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, unabsorbed Tax depreciation and accumulated losses, if any, of the Transferor Company as on the Appointed Date, shall, for all purposes, be treated as unabsorbed Tax depreciation and accumulated losses of the Transferee Company. It is further clarified that any unabsorbed depreciation of the Transferor Company as specified in their respective books of accounts shall be included as unabsorbed depreciation of the Transferee Company for the purposes of computation of minimum alternate tax;
- (v) any tax liability under the Income Tax Act, or any other applicable Tax laws or regulations allocable to the Transferor Company whether or not provided for or covered by any Tax provisions in the accounts of the Transferor Company made as on the date immediately preceding the Appointed Date, shall be transferred to the Transferee Company. Any surplus in the provision for taxation or duties or levies in the accounts of the Transferor Company, including advance Tax and Tax deducted at source as on the close of business in India on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company;
- (vi) all Tax assessment proceedings and appeals of whatsoever nature by or against the Transferor Company, pending or arising as on the Appointed Date, shall be continued and / or enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by reason of the Amalgamation of the Transferor Company into the Transferee Company or anything contained in this Scheme;
- (vii) any refund under the Income Tax Act or any other Tax laws related to or due to the Transferor Company, including those for which no credit is taken as on the date immediately preceding the Appointed Date, shall also belong to and be received by the Transferee Company;
- (viii) without prejudice to the generality of the above, all benefits, incentives, claims, losses, credits (including income Tax, service Tax, excise duty, goods and service Tax and applicable state value added Tax) to which the Transferor Company is entitled to in terms of applicable Tax laws, shall be available to and vest in the Transferee Company from the Appointed Date; and
- (ix) all the expenses incurred by the Transferor Company and the Transferee Company in



relation to the Amalgamation in accordance with this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Transferee Company in accordance with Section 35DD of the Income Tax Act over a period of 5 (five) years beginning with the financial year in which this Scheme becomes effective.

20. **Conduct**

- (i) During the period between the approval of the Scheme by the Board of the Transferor Company and the Board of the Transferee Company and the Effective Date, the business of the Transferor Company and the Transferee Company shall be carried out with diligence and business prudence in the ordinary course consistent with past practice in good faith and in accordance with Applicable Law and as mutually agreed between Transferor Company and the Transferee Company.
- (ii) Notwithstanding anything to the contrary contained in this Scheme, each of the Transferor Company and the Transferee Company shall be able to raise capital as it may deem fit ("**Capital Raise**") during the period between the approval of the Scheme by the Board of the Transferor Company and the Board of the Transferee Company and the Effective Date, provided that such Capital Raise shall: (a) not result in dilution of more than 5% (five percent) of the equity share capital on a fully diluted basis of the Transferor Company or the Transferee Company (as the case may be); (b) be at a valuation not lower than the average of the valuation as set out in the Valuation Report by each of the valuers; (c) be subject to all Applicable Laws; and (d) be post shareholders' and creditors approval for the Scheme.
- (iii) In the event the Appointed Date is prior to the Effective Date, then with effect from the Appointed Date and up to and including the Effective Date:
 - (a) the Transferor Company undertakes to carry on and shall be deemed to have carried on its business activities and stand possessed and shall be deemed to have held and stood possessed of the properties and assets pertaining to the Transferor Company, for and on account of and in trust for the Transferee Company;
 - (b) the Transferor Company hereby undertakes to hold its said assets with utmost prudence in the ordinary course of business until the Effective Date;
 - (c) all profits and income accruing to the Transferor Company, and losses and expenditure incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) for the period from the Appointed Date based on the accounts of the Transferor Company shall, subject to the Scheme being effective, for all purposes, be treated as the profits, income, losses or expenditure, as the case may be, of the Transferee Company;
 - (d) all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of the Transferor Company which arise or accrue to the Transferor Company on or after the Appointed Date, shall be deemed to be of the Transferee Company;
 - (e) all assets and properties comprised in the Transferor Company as on the date immediately preceding the Appointed Date, whether or not included in the books of the Transferor Company and all assets and properties relating thereto, which are acquired by the Transferor Company, on or after the Appointed Date, shall be deemed to be the assets and properties of the Transferee Company; and
 - (f) any of the rights, powers, authorities, privileges exercised by the Transferor Company shall be deemed to have been exercised by such Transferor Company for and on behalf of, and in trust for the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by Transferor Company shall be deemed to have been undertaken for and on behalf of the Transferee Company.



21. **Saving of concluded transactions**

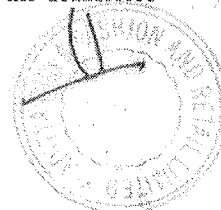
Subject to this Scheme, the transfer and vesting of the Undertaking of the Transferor Company under this Scheme shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

PART III

CONSIDERATION FOR AMALGAMATION

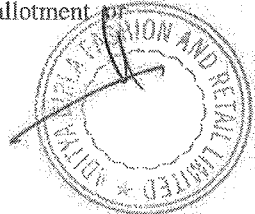
22. **Issuance of Merger Consideration Shares for Amalgamation**

- (i) Upon this Scheme becoming effective and in consideration of the Amalgamation including the transfer and vesting of the Undertaking of the Transferor Company in the Transferee Company pursuant to this Scheme, the Transferee Company shall, without any further application, act, or deed issue and allot the Merger Consideration Shares to all Eligible Shareholders, at the Share Exchange Ratio on the basis of the Valuation Report; and all the Transferor Company Shares held by the Transferee Company on the Effective Date shall stand cancelled without any further application, act or deed. Further, the investment in the shares of the Transferor Company, as reflecting in the books of accounts of the Transferee Company shall, without any further act or deed, stand cancelled, written-off, or otherwise extinguished.
- (ii) No Merger Consideration Shares shall be allotted in respect of fractional entitlements, by the Transferee Company to which the members of the Transferor Company, respectively may be entitled on allotment of the Merger Consideration Shares. The Board of the Transferee Company shall, in compliance with Applicable Law, consolidate all such fractional entitlements and thereupon allot the Merger Consideration Shares in lieu thereof to a Person / trustee authorised by the Board of the Transferee Company in this behalf who shall hold such Merger Consideration Shares in trust on behalf of the members of the relevant Transferor Company, entitled to fractional entitlements with the express understanding that such Person shall sell the Merger Consideration Shares so allotted on the Stock Exchanges at such time or times and at such price or prices and to such other Person, as such Person / trustee deems fit within 90 days from the date of allotment or such other period as per the Applicable Law, and shall distribute the sale proceeds, gross of any Tax incidence on such sale proceeds, to the members of the relevant Transferor Company in proportion to their respective fractional entitlements. In case the number of such Merger Consideration Shares to be allotted to a person authorised by the Board of the Transferee Company by virtue of consolidation of fractional entitlements is a fraction, it shall be rounded off to the next higher integer.
- (iii) In the event of there being any pending share transfers, whether lodged or outstanding, of any member of the Transferor Company, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the shares in the Transferor Company and in relation to the shares issued by the Transferee Company, after the effectiveness of the Scheme. The Board of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Transferee



Company on account of difficulties faced in the transaction period.

- (iv) The issue and allotment of the Merger Consideration Shares by the Transferee Company to Eligible Shareholders as provided in this Scheme is an integral part hereof and shall be deemed to have been carried out as if the procedure laid down under Section 62 read with Section 42 of the Act and any other applicable provisions of the Act were duly complied with. The cancellation of the Transferor Company Shares held by the Transferee Company as provided in this Scheme is an integral part hereof and it is hereby clarified that the consent of the shareholders of the Transferee Company to this Scheme and the Sanction Orders shall be deemed to be sufficient for the purposes of effecting the aforementioned cancellation, and no further resolution(s) or actions under the Act or any other applicable provisions of the Act would be required to be separately passed or undertaken.
- (v) Where the Merger Consideration Shares are to be allotted to heirs, executors or administrators or, as the case may be, to successors of deceased Eligible Shareholders of the Transferor Company, the concerned heirs, executors, administrators or successors shall be obliged to produce evidence of title satisfactory to the Board of the Transferee Company.
- (vi) Promptly upon the issuance of the Merger Consideration Shares pursuant to this Clause 22, the Transferee Company shall prepare and file applications, along with all supporting documents, to obtain approval from SEBI and the Stock Exchanges, for listing of such Merger Consideration Shares. Immediately upon receipt of such approval, the Transferee Company shall take all necessary steps to obtain trading approval for the Merger Consideration Shares. The Transferee Company shall ensure that steps for listing of the Merger Consideration Shares are completed, and trading of Merger Consideration Shares are completed and trading of the Merger Consideration Shares commences within the time period prescribed under the SEBI Scheme Circular. The Merger Consideration Shares allotted pursuant to this Scheme shall remain frozen in the depositories system till relevant directions in relation to listing / trading are given by the relevant Stock Exchanges.
- (vii) Each Merger Consideration Share to be issued and allotted by the Transferee Company in terms of this Scheme shall be credited as fully paid and free from any and all Encumbrances and shall be subject to the provisions of the memorandum and articles of association of the Transferee Company and shall rank *pari passu* in all respects and shall have the same rights attached to the then existing equity shares of the Transferee Company.
- (viii) If any consolidation, stock split, sub division, reorganization, reclassification or other similar action in relation to the share capital of the Transferor Company or the Transferee Company, that occurs after the date of approval of the Scheme by the Board of Transferor Company and the Board of Transferee Company, and on or before the Effective Date, the Share Exchange Ratio shall be adjusted accordingly to reflect such corporate action in such a manner as the relevant company's auditors may determine to be appropriate to reflect such corporate action.
- (ix) The Merger Consideration Shares shall be issued and allotted in dematerialized form to all Eligible Shareholders in accordance with the Applicable Laws.
- (x) The Merger Consideration Shares to be issued by the Transferee Company in respect of the Transferor Company Shares, which are held in abeyance under the provisions of Section 126 of the Act or which the Transferee Company is unable to issue due to non-receipt of relevant approvals or due to Applicable Law or pending allotment



settlement of dispute by order of the Tribunal or any Governmental Authority or otherwise shall, be held in abeyance by the Transferee Company.

- (xi) The Merger Consideration Shares issued pursuant to this Scheme may not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and the Transferee Company may elect, in its sole discretion, to rely upon an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof or any other exemption that the Transferee Company may elect to rely upon. In relying upon an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof, the sanction of the Tribunals to this Scheme vide the Sanction Orders will be relied upon for the purposes of qualifying the issuance and distribution of the Merger Consideration Shares for such an exemption from the registration requirements of the Securities Act under Section 3(a)(10) thereof.

PART IV

CHANGES TO THE SHARE CAPITAL OF THE TRANSFEE COMPANY AND ACCOUNTING TREATMENT

23. Amendment to the Memorandum of Association of the Transferee Company

- (i) Upon this Scheme becoming effective and upon the vesting and transfer of the Undertaking to the Transferee Company, the entire authorised share capital of the Transferor Company shall stand transferred to the authorised share capital of the Transferee Company without any further act, deed or instrument. Clause V of the memorandum of association of the Transferee Company shall, without any further act or deed, stand altered to read as under:

"The Authorised Share Capital of the Company is ₹ 20,48,15,00,000 (Rupees Two Thousand Forty-Eight Crore Fifteen Lakhs only) divided into 2,03,60,00,000 (Two Hundred Three Crore Sixty Lakhs) Equity Shares of ₹ 10/- each (Rupees Ten only) amounting to ₹ 20,36,00,00,000 (Rupees Two Thousand Thirty-Six Crore only), 8% 1,00,00,000 (One Crore) Redeemable Cumulative Preference Shares of ₹ 10/- (Rupees Ten Only) each amounting to ₹ 10,00,00,000/- (Rupees Ten Crore only) and 15,000 (Fifteen Thousand) 6% Redeemable Cumulative Preference Shares of ₹ 100/- (Rupees Hundred only) each amounting to ₹ 15,00,000/- (Rupees Fifteen Lakhs only) and 2,00,00,000 (Two Crore) Preference Shares of ₹ 1 (Rupees One only) each amounting to ₹ 2,00,00,000/- (Rupees Two Crore only) with a power to increase or reduce the capital of the Company in accordance with the provisions of the Companies Act, 2013 and to classify or reclassify the Share Capital."

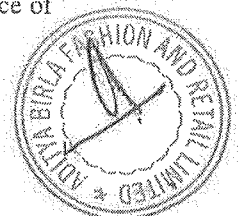
- (ii) It is clarified that the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendments and the increase of authorised capital of the Transferee Company pursuant to this Clause 23, and no further resolution(s) under Sections 4, 13, 14 and 61 and all other applicable provisions of the Act, if any, would be required to be separately passed.

- (iii) In accordance with Section 232(3)(i) of the Act and Applicable Law, the stamp duties and / or fees (including registration fee) paid on the authorised share capital of the Transferor Company shall be deemed to be utilized and applied to the increased authorised share capital of the Transferee Company pursuant to this Clause 23 and no separate stamp duties and / or fees would be payable for the increase in the authorised share capital of the Transferee Company to the extent of fees already paid by the Transferor Company on the authorised share capital of the Transferor Company.



24. **Employee Stock Options**

- (i) In respect of the Transferor Company Stock Options granted by the Transferor Company under the Transferor Company ESOP Plans and which have vested in accordance therewith but which are outstanding and have not been exercised as on the Record Date, upon the effectiveness of the Scheme, all such Transferor Company Stock Options shall automatically stand cancelled and the Transferee Company shall issue Transferee Company Stock Options to all such holders of the Transferor Company Stock Option, taking into account the Share Exchange Ratio. The exercise price payable for such Transferee Company Stock Options shall be as adjusted after taking into account the effect of the Share Exchange Ratio.
- (ii) In respect of the Transferor Company Stock Options granted by the Transferor Company under the Transferor Company ESOP Plans but which remain outstanding and unvested as on the Record Date, upon the effectiveness of the Scheme, all such Transferor Company Stock Options shall automatically stand cancelled and the Transferee Company shall issue Transferee Company Stock Options to all such holders of the Transferor Company Stock Option, taking into account the Share Exchange Ratio. The vesting price and exercise price payable for such Transferee Company Stock Options shall be as adjusted after taking into account the effect of the Share Exchange Ratio.
- (iii) It is hereby clarified that in relation to the Transferee Company Stock Options granted in accordance with this Scheme, the period during which the Transferor Company Stock Options granted by the Transferor Company were held by or deemed to have been held by the holders of the Transferor Company Stock Options shall be taken into account for determining the minimum vesting period required under Applicable Law or agreement or deed for stock options granted under the Transferee Company Stock Option Plan, as the case may be.
- (iv) The Transferee Company Stock Options to be issued pursuant to Clause 24(i) and Clause 24(ii) above may be issued by the Transferee Company either under any of its existing Transferee Company ESOP Plans or a revised stock option plan for the employees of the Transferee Company and the holders of the Transferor Company Stock Options or under a separate employee stock option plan created by the Transferee Company *inter alia* for the purpose of granting stock options to the holders of the Transferor Company Stock Options pursuant to this Scheme ("**Transferee Company Stock Option Plan**"), on the same terms and conditions (including vesting period and conditions), as set out in the Transferor Company ESOP Plans, or such other terms and conditions as approved by the Transferee Company which are no less favorable than those provided under the Transferor Company ESOP Plans, subject to Applicable Laws. Further, fractional entitlements, if any, arising pursuant to the applicability of the Share Exchange Ratio as set out in Clause 24(i) and Clause 24(ii) above shall be rounded off to the nearest higher integer.
- (v) The grant of Transferee Company Stock Options pursuant to this Scheme shall be effected as an integral part of the Scheme and the approval of relevant Governmental Authorities and the shareholders of the Transferee Company to this Scheme shall be deemed to be their consent in relation to all matters pertaining to the Transferee Company Stock Option Plan, including without limitation, for the purposes of creating the Transferee Company Stock Option Plan and / or modifying the Transferee Company Stock Option Plan (including increasing the maximum number of equity shares that can be issued consequent to the exercise of the Transferee Company Stock Options granted under the Transferee Company ESOP Plans, and / or modifying the exercise price of



the Transferee Company Stock Options under the Transferee Company Stock Option Plan), and all related matters. No further approval of the shareholders of the Transferee Company would be required in this connection under Applicable Law.

- (vi) The Boards of the Transferor Company and the Transferee Company or any of the committee(s) thereof, including the nomination and remuneration committee, if any, shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause of the Scheme.

25. Accounting Treatment

- (i) Notwithstanding anything to the contrary contained in the Scheme, the Transferee Company shall account for amalgamation of the Transferor Company in accordance with Appendix C to Indian Accounting Standard 103 (*Business Combination of entities under common control*) and other accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015, notified under Section 133 of the Act, as amended and relevant clarifications issued by the Institute of Chartered Accountants of India.
- (ii) Notwithstanding anything contained in any other Clause in the Scheme, upon the Scheme being effective, the Transferor Company shall stand dissolved without winding-up. Accordingly, there is no accounting treatment prescribed which would have any impact or need to be reflected in the books of the Transferor Company.

PART V

DISSOLUTION OF TRANSFEROR COMPANY AND GENERAL TERMS AND CONDITIONS

26. Dissolution of Transferor Company

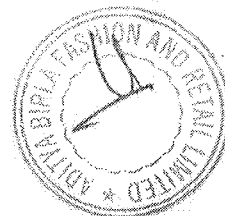
On the coming into effect of this Scheme, the Transferor Company shall stand dissolved without being wound-up. On and from the Effective Date, (i) the Board of the Transferor Company, shall, without any further acts, resolutions, filings, instruments, or deeds, cease to exist and stand dissolved; and (ii) the name of the Transferor Company shall be struck off from the records of the RoC.

27. Impact of the Scheme on Non-Convertible Debenture Holders of the Transferee Company

There shall be no change in terms and conditions of the Listed NCDs pursuant to this Scheme. The holders of the Listed NCDs as on the Effective Date will continue to hold the Listed NCDs, without any interruption and on the same terms. Accordingly, this Scheme will have no adverse impact on the holders of the Listed NCDs.

28. Validity of Existing Resolutions

Upon the coming into effect of this Scheme, the resolutions and powers of attorney of / or executed by the Transferor Company, as are considered necessary by the Board of the Transferee Company, and which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and powers of attorney passed / executed by the Transferee Company, and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other Applicable Law, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.



29. **Applications**

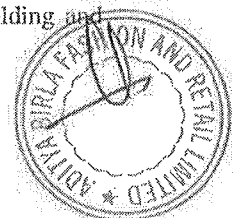
- (i) The Transferor Company and the Transferee Company shall make all necessary applications and petitions to the Tribunal under Sections 230 to 232 and other applicable provisions of the Act, for sanction of this Scheme and all matters ancillary or incidental thereto, under provisions of Applicable Law and obtain such other approvals, as required under Applicable Law.
- (ii) Upon this Scheme being effective, the members of the Transferee Company and the Transferor Company shall be deemed to have also accorded their approval under all relevant provisions of the Act and Applicable Law for giving effect to the provisions contained in this Scheme.
- (iii) The Transferee Company and the Transferor Company shall be entitled, pending the effectiveness of the Scheme, to apply to any Governmental Authority, if required under any Applicable Law for such consents and approvals, as agreed between the Transferee Company and the Transferor Company, which they may require to effect the transactions contemplated under the Scheme, in any case subject to the terms as may be mutually agreed.

30. No modifications, including any modification(s) approved, imposed or directed by the Tribunals, the Stock Exchanges, or any other Governmental Authority, shall be made to the Scheme without a written agreement between the Transferor Company and the Transferee Company to do so. This Scheme shall not be revoked or withdrawn, other than in accordance with Clause 34 below. Notwithstanding anything contained in this Scheme, no modification may be made to the Scheme post grant of Sanction Orders by the Tribunals without prior approval of the Tribunals.

31. **Conditions Precedent to Effectiveness**

Unless otherwise agreed between the Parties in writing, the coming into effect of this Scheme is conditional upon and subject to:

- (i) pursuant to the provisions of the Competition Act, 2002 (including any statutory modification or re-enactment thereof) and the rules and regulations thereunder, the first of the CCI (or any appellate authority in India having appropriate jurisdiction) having, by the Long Stop Date, either:
 - (a) granted approval to the Scheme; or
 - (b) been deemed to have granted approval to the Scheme through the expiration of time periods available for their investigation;
- (ii) acquisition of 51% (fifty-one percent) of the Expanded Share Capital of the Transferor Company by the Transferee Company, pursuant to the open offer by the Transferee Company and the underlying transactions thereto, on or prior to the Long Stop Date;
- (iii) the Stock Exchanges having issued their observation / no-objection letters as required under the SEBI LODR Regulations read with the SEBI Scheme Circular and the SEBI Scheme Circular – Debt;
- (iv) this Scheme being approved by the respective requisite majorities of the various classes of members (passed through postal ballot / e-voting, as applicable) and creditors (where applicable) of the Transferor Company and the Transferee Company, as required under the Act and the SEBI Scheme Circular, subject to any dispensation of holding and



convening meetings of members and creditors, that may be granted by the Tribunals;

- (v) the approval of the Scheme by the public shareholders of the Transferor Company in accordance with Para A.10 (a) and (b) of Part I of the SEBI Scheme Circular provided that the same shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme are more than the votes by the public shareholders against it;
 - (vi) such other conditions as may be mutually agreed between the Transferor Company and the Transferee Company;
 - (vii) grant of Sanction Orders under the provisions of Sections 230 to 232 of the Act and receipt of certified copies of the Sanction Orders; and
 - (viii) there not being any Governmental Order from any Governmental Authority (other than a competition and / or anti-trust authority) that has the effect of making the Amalgamation illegal or otherwise restraining or preventing its consummation.
32. The Scheme shall not come into effect unless the aforementioned conditions mentioned in Clause 31 above are satisfied (or to the extent permissible under Applicable Law, waived by the Transferee Company) and in such an event, no rights and liabilities stated under this Scheme shall accrue to or be incurred inter se the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other Person.
33. The certified copies of the Sanction Orders shall be filed with the respective RoC within 30 (thirty) days, or such longer period permitted under Applicable Law, from the date on which the last of the events specified in Clause 31 of the Scheme are satisfied or have occurred or the requirement of which have been waived (in writing) in accordance with this Scheme.
34. **Withdrawal of the Scheme**
- (i) The Transferor Company and the Transferee Company, acting jointly, shall be at liberty to withdraw the Scheme, any time before the Scheme is effective.
 - (ii) In the event:
 - (a) the conditions precedent set out in sub-Clause (i) or (ii) of Clause 31 are not fulfilled by the Long Stop Date;
 - (b) any of the conditions precedent set out in sub-Clause (iv) to (viii) of Clause 31 are not fulfilled by the Merger Long Stop Date;
 - (c) without prejudice to and subject to Clause 34(iii) below, any of the requisite approvals, Sanction Orders or no-objections have been rejected; or
 - (d) any of the requisite approvals, Sanction Orders or no-objections are subject to conditions which, in the joint written opinion of the parties, is not acceptable,

this Scheme shall automatically stand revoked, cancelled, and be of no effect from such date, save and except in respect of any act or deed done prior thereto as is contemplated herein 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 as may otherwise arise in law.



- (iii) Notwithstanding anything contained in Clause 34(ii), in the event SEBI, the Stock Exchanges, or the Tribunal rejects the Scheme but provides a chance for re-submission thereof, the Scheme shall not automatically become revoked, cancelled, null and void unless the parties mutually agree not to appeal the decision of SEBI, Stock Exchanges, or the Tribunal, as the case may be.
- (iv) Upon revocation or cancellation of this Scheme set out in this Clause 34,
 - (a) this Scheme shall become null and void, and no rights and liabilities shall accrue to or be incurred by the Transferor Company and the Transferee Company or their shareholders or creditors or employees or any other Person. In such cases, each of the Transferor Company and the Transferee Company shall bear its own costs and expenses unless otherwise mutually agreed; and
 - (b) each of the Transferor Company and the Transferee Company shall take all necessary steps to withdraw or cause the withdrawal of the Scheme, and / or applications made for the approval of the Transaction from the relevant Governmental Authorities.

35. Power to Remove Difficulties

The authorised signatory of the Transferor Company and the Transferee Company, either by themselves or through a committee appointed by them in this behalf, may jointly and as mutually agreed in writing, including without limitation through any definitive agreement(s) that may be entered into by and between the Transferor Company and the Transferee Company in relation to the Scheme:

- (i) give such directions (acting jointly) as may be mutually agreed in writing by the Transferor Company and the Transferee Company as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those; and
- (ii) do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.

36. Costs

- (i) Each of the Transferor Company and the Transferee Company agree that it shall bear by itself all own costs, charges, levies and expenses in relation to or in connection with or incidental to this Scheme until the date of sanction of this Scheme by the Tribunals, including without limitation, costs and expenses associated with retention of financial, legal, tax and other professional advisers, and in connection with the valuation report and the fairness opinion issued by their respective valuers and merchant bankers.
- (ii) Save as otherwise agreed, all stamp, transfer, registration, and other similar taxes, duties, charges and fees (including in relation to the registration and the stamping of the Sanction Orders) payable or assessed in connection with this Scheme, the issuance of Merger Consideration Shares and the transfers contemplated by the Scheme shall be borne by the Transferee Company.

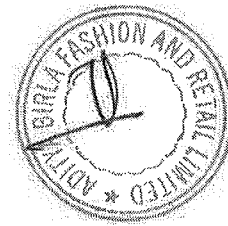
37. Severability

If any provision of this Scheme becomes or is declared by a court of competent jurisdiction to



be illegal, unenforceable or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Scheme, and the Transferor Company and the Transferee Company will negotiate in good faith to agree to replace such illegal, void, or unenforceable provision of this Scheme with a valid and enforceable provision that will achieve, to the extent possible, the same economic, business and other purposes of the illegal, void or unenforceable provision or act in accordance with a judgment, order, decree, or declaration made by a court of competent jurisdiction. The balance of this Scheme shall be enforceable in accordance with its terms.

38. It is hereby clarified that the submission of this Scheme to the Tribunal and to the Governmental Authorities for their respective approvals is without prejudice to all rights, interests, titles or defenses that the Transferor Company and / or the Transferee Company may have under or pursuant to all Applicable Laws.



SCHEDULE A

Disclosures as per SEBI Scheme Circular - Debt in relation to the non-convertible debentures of the Transferee Company

ISIN	INE647O08099	INE647O08107	INE647O08115
Face Value	10,00,000	10,00,000	1,00,000
Dividend / Coupon	Coupon	Coupon	Coupon
Terms of payment of dividends/ coupon including frequency, etc.	Annual Coupon	Annual Coupon	Annual Coupon
Credit Rating	AA/Stable	AA/Stable	AA/Positive
Tenure / Maturity	3 years	3 years	3 years
The terms of redemption	Interest to be paid annually and principle payable at maturity		
Amount of redemption	INR 3,25,00,00,000 (Indian Rupees Three Hundred and Twenty Five Crores Only)	INR 4,00,00,00,000 (Indian Rupees Four Hundred Crores Only)	INR 5,00,00,00,000 (Indian Rupees Five Hundred Crores Only)
Date of redemption	22 May 2023	09 September 2024	30 January 2026
Redemption premium/ discount	NA	NA	NA
Early redemption scenarios, if any	Yes, in case the credit rating is downgraded to A+	Yes, in case the credit rating is downgraded to A	Yes, in case the credit rating is downgraded to A
Safeguards for the protection of holders of NCDs	NA	NA	NA
Exit offer to the dissenting holders of NCDs, if any	None	None	None
Other embedded features (put option, call option, dates, notification times, etc.)	NA	NA	NA
Other terms of instruments	As per Private Placement Offer letter dated May 19, 2020 and Debenture Trust Deed dated July 20, 2020	As per Private Placement Offer letter dated September 6, 2021 and Debenture Trust Deed dated September 14, 2021	As per Private Placement Offer letter dated January 24, 2023 and Debenture Trust Deed dated January 31, 2023
Latest audited financials along with notes to accounts and any audit qualifications	ABFRL Board meeting Outcome May18 2022.pdf		
An auditors' certificate certifying the payment / repayment capability of the resultant entity*	https://www.abfirl.com/investors/scheme-of-amalgamation		
Fairness Report*	https://www.abfirl.com/investors/scheme-of-amalgamation		
Any other information/details pertinent for holders of NCDs	As per Private Placement Offer letter dated May 19, 2020 and Debenture Trust Deed dated July 20, 2020	As per Private Placement Offer letter dated September 6, 2021 and Debenture Trust Deed dated September 14, 2021	As per Private Placement Offer letter dated January 24, 2023 and Debenture Trust Deed dated January 31, 2023
Name of debenture trustee	Axis Trustee Services Limited		

