

SCHEME OF MERGER BY ABSORPTION
OF
IMPEX METAL & FERRO ALLOYS LTD
(Wholly owned Subsidiary of Maithan Alloy Limited)
(Transferor Company)

WITH
MAITHAN ALLOYS LTD
(Transferee Company)

AND
THEIR RESPECTIVE SHAREHOLDERS

**UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE
PROVISIONS OF THE COMPANIES ACT, 2013**



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[1]



This Scheme of Merger by Absorption (“the Scheme”) is presented under Sections 230 to 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act 2013 (including any statutory modification or re-enactment or amendment thereof) (“the Act”), as may be applicable, for the Scheme of Merger by Absorption of Impex Metal & Ferro Alloys Ltd with Maithan Alloys Ltd and their respective shareholders.

A. Description of the Companies:

Transferor Company

Impex Metal & Ferro Alloys Ltd is a public limited company incorporated on 31st May, 1991 under the Companies Act, 1956 having its registered office at 4th Floor, 9, A J C Bose Road, Kolkata, West Bengal- 700017, India (“Transferor Company” or “IMFAL”) [CIN: U27101WB1991PLC051901]. The shares of IMFAL are not listed on any stock exchanges and it is a wholly owned subsidiary of Maithan Alloys Ltd.

IMFAL is currently engaged in the manufacture, fabrication, refine, market, prepare, import, export, buy, sell and act as a commission agent and deal in all types of minerals, alloys and ferro alloys including other minerals and other products in aluminium and/or any ferrous/non-ferrous metals.

Transferee Company

Maithan Alloys Ltd is a public limited company incorporated on 19th September, 1985 under the Companies Act, 1956 having its registered office at 4th Floor 9, A J C Bose Road, Kolkata, West Bengal-700017, India (“Transferee Company” or “MAL”) [CIN: L27101WB1985PLC039503]. The equity shares of the transferee company are listed on the the National Stock Exchange of India Limited (‘NSE’), the Calcutta Stock Exchange Limited (‘CSE’) and permitted for trading on Bombay Stock Exchange Limited (‘BSE’). The Transferee Company is the Parent Company/Holding Company of the Transferor Company,

The transferee company is engaged in the business of manufacture, processors, assemblers, etc of ferrous and non-ferrous metals or other steel and aluminium products.

B. Purposes of Merger

- Managements of the Transferor Company and the Transferee Company believe that it is beneficial, advantageous, not prejudicial and in the best interests of all the stakeholders to consolidate Transferor Company with Transferee Company.



▪ **The following benefits will accrue pursuant to the Scheme:**

- Benefit to the shareholders, employees and other stakeholders of the respective companies by consolidating and simplifying the group structure, business operations, pool resources and provide optimal utilization of financial, human or other resources.
- Economies in administrative and managerial costs by consolidating operations and would substantially reduce duplication of administrative responsibilities and multiplicity of records and legal and regulatory compliances;
- Pooling of resources (including manpower, management and administration and marketing resources) of the aforesaid companies resulting in, synergies of operations and optimisation of logistics, resulting in more productive utilisation of said resources, savings in cost and operational efficiencies.
- Strengthening financial position and increased leverage capacity of the merged entity.
- Build strong capability to effectively meet future challenges in competitive business environment;
- Result in improved shareholder value for the shareholders of the respective companies, thus providing a stronger and wider capital and financial base for future growth / expansion of the Transferee Company.
- The proposed scheme will not be prejudicial to the interest to any of the Stakeholders, employees or Creditors of both the Transferor and Transferee Companies and is not detrimental to the members or creditors of contrary to public policy.

In view of the aforesaid, the Board of Directors (as hereinafter defined) of the Transferor Company and the Board of Directors of the Transferee Company have considered and proposed this Scheme of Merger by Absorption of the entire undertaking and business of the Transferor Company with the Transferee Company.

C. Parts of the Scheme:

The Scheme of Merger by Absorption is divided into following three parts:

- i. Part I- Deals with the definitions, interpretations and share capital;
- ii. Part II- Deals with Scheme of Merger by Absorption of IMFAL with MAL; and
- iii. Part- III- Deals with the dissolution of the Transferor Company and General Clauses, Terms and Conditions applicable to the Scheme



PART I

DEFINITIONS, INTERPRETATION AND SHARE CAPITAL

1. DEFINITIONS AND INTERPRETATION

In this Scheme, unless repugnant to the meaning or context thereof, (i) terms defined in the introductory paragraphs and recitals shall have the same meanings throughout this Scheme and (ii) the following words and expressions, wherever used (including in the recitals and the introductory paragraphs above), shall have the following meanings:

- 1.1. **“Act” or “the Act”** means the Companies Act, 2013 and any rules, regulations, notifications, circulars or guidelines issued thereunder including any statutory modifications, re-enactments or amendments thereof for the time being in force.
- 1.2. **“Applicable Law(s)”** means any statute, notification, bye laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions or law enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.
- 1.3. **“Appointed Date”** means 31st March, 2024 or such other date as may be directed or approved by the National Company Law Tribunal or any other Appropriate Authority for Merger of IMFAL with MAL by Absorption.
- 1.4. **“Appropriate Authority”** means any governmental, statutory, regulatory, departmental or public body or authority of India including, the Regional Director, Registrar of Companies or the National Company Law Tribunal (“NCLT”).
- 1.5. **“Board of Directors” or “Board”** in relation to the Transferor Company and the Transferee Company, as the case may be, means the board of directors of such company, and shall include a committee duly constituted and authorised or individuals authorized for the purposes of matters pertaining to the merger, this Scheme and/or any other matter relating thereto;
- 1.6. **“BSE”** means permitted for trading on Bombay Stock Exchange Limited (the Stock Exchange) on which the equity shares of the Transferee Company are listed.
- 1.7. **“Companies”** means **“IMFAL” or “MAL”** or any of them as the context requires.
- 1.8. **“CSE”** means Calcutta Stock Exchange (the Stock Exchange) on which the equity shares of the Transferee Company are listed.



- 1.9. **“Effective Date”** means the last of the date(s) on which the certified copy of the order of the NCLT, Kolkata Bench sanctioning the Scheme, is filed by IMFAL and MAL with the Registrar of Companies, Kolkata (West Bengal).
- 1.10. **“Employees”** means all the employees of the Transferor Company who are on the pay-roll of the Transferor Company including liabilities with regard to their employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of death, resignation, retirement, retrenchment or otherwise as on the Effective Date;
- 1.11. **“Encumbrance”** means any mortgage, pledge, equitable interest, assignment by way of security, conditional sales contract, hypothecation, right of other persons, claim, security interest, encumbrance, title defect, title retention agreement, voting trust agreement, interest, option, lien, charge, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of set off, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same and the term “Encumbered” shall be construed accordingly;
- 1.12. **“Governmental Authority”** means (i) a national or state government, political subdivision thereof; (ii) an instrumentality, board, commission, court, or agency, whether civilian or military, of any of the above, however constituted; and (iii) a government-owned/ government-controlled association, organization in the Republic of India;
- 1.13. **“NSE”** means National Stock Exchange of India (the Stock Exchange) on which the equity shares of the Transferee Company are listed.
- 1.14. **“Registrar of Companies”** means the Registrar of Companies, Kolkata, West Bengal having jurisdiction over the Transferor Company and the Transferee Company.
- 1.15. **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Merger by Absorption in its present form as submitted to the Tribunal with any modification(s) made under Clause 22 of the Scheme as approved or directed by the Tribunal or such other competent authority, as may be applicable.
- 1.16. **“Transferee Company” or “MAL”** means M/s Maithan Alloys Ltd, is a public limited company incorporated on 19th September, 1985 under the Companies Act, 1956 having its registered office at 4th Floor 9, A J C Bose Road, Kolkata, West Bengal-700017, India (“Transferee Company” or “MAL”) [CIN: L27101WB1985PLC039503].



- 1.17. **“Transferor Company” or “IMFAL”** means M/s **Impex Metal & Ferro Alloys Ltd**, is a public limited company incorporated on 31st May, 1991 under the Companies Act, 1956 having its registered office at 4th Floor, 9, AJC Bose Road, Kolkata, West Bengal- 700017, India (“Transferor Company” or “IMFAL”) [CIN: U27101WB1991PLC051901].
- 1.18. **“Tribunal” or “NCLT”** means the National Company Law Tribunal, Kolkata Bench, having jurisdiction in relation to the Transferee Company and the Transferor Company, being constituted and authorized as per the applicable provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of Companies under Sections 230 to 232 of the Companies Act, 2013, if applicable.
- 1.19. **“Undertaking”** means all the undertakings and entire business, activities and operations of the Transferor Company, as a going concern, including, without limitation:
- a. all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature) of the Transferor Company, whether situated in India or abroad including, without limitation, all land whether freehold or leasehold or otherwise, buildings and structures, offices, branches, residential and other premises, capital work-in-progress, project work-in-progress, machines and equipment, furniture, fixtures, office equipment, computers, information technology equipment, laptops, server, vehicles, appliances, accessories, power lines, stocks, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates, investment in subsidiaries), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, earnest monies, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, tenancies in relation to the office and/or residential properties, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor



Company, whether in India or abroad whether or not so recorded in the books of accounts or disclosed in the balance sheet of the Transferor Company;

- b. all permits, quotas, rights, entitlements, industrial and other licences, contracts, agreements, bids, tenders, unexecuted/open orders of all customers, letters of intent, expressions of interest, memorandums of understanding, offer letters, approvals, consents, subsidies, privileges (if any, incentives deductions, exemptions, rebates, allowances, amortization, tax credits including but not limited to advance tax, self-assessment tax, regular tax, securities transaction tax, deferred tax assets/liabilities, Foreign Tax Credit, tax deducted at source, tax collected at source, accumulated losses under Income-tax Act, 1961 (pursuant to compliance under section 72A of the Income-tax Act, 1961), allowance for unabsorbed depreciation under Income-tax Act, tax refunds, tax losses and exemptions in respect of the profits of the undertaking of the Transferor Company for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the benefit or exemption is available in law if the merger pursuant to this Scheme does not take place, the input credit balances (including, State Goods & Services Tax ("SGST"), Union Territory Goods and Services Tax ("UTGST"), Integrated Goods and Services Tax ("IGST") and Central Goods and Services Tax ("CGST") credits) under the Goods and Service Tax ("GST") laws, GST refunds, CENVAT/MODVAT credit balances under Central Excise Act, 1944, sales tax law], all other rights including sales tax deferrals and exemptions and other benefits, duty drawback claims, rebate receivables, all customs duty benefits and exemptions, export and import incentives and benefits or any other benefits/incentives/ exemptions/given under any policy announcements issued or promulgated by the government of India or state government or any other government body or authority or any other like benefits under any statute receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company, whether or not so recorded in the books of accounts or disclosed in the balance sheet of the Transferor Company;
- c. all debts, borrowings, obligations, duties and liabilities, both present and future, current and non-current (including deferred tax liabilities, contingent liabilities, liabilities towards bank guarantees, performance guarantees and letters of credit, trade payables, creditors, advance from Customers and the Liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Rupees or foreign currency, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company;
- d. all trade and service names and marks, patents, copyrights, goodwill, designs and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether



proprietary or otherwise), technology, drawings, computer programs, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company;

- e. all staff and Employees and other obligations of whatsoever kind, including liabilities of the Transferor Company with regard to its Employees, with respect to the payment of bonus, performance pay, leave encashment, gratuity, superannuation, pension benefits and the provident fund or compensation or benefits, if any, in the event of resignation, death, voluntary retirement or retrenchment or otherwise; and
- f. any statutory licenses, permissions, registrations or approvals or consents held by the Transferor Company required to carry on the operations shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company and the benefit of all the statutory and regulatory permissions and approvals, environmental approvals and consents, registration or other licenses and consents shall vest in and become available to the Transferee Company as if they were originally obtained by the Transferee Company. In so far as the various incentives, subsidies, grants, rehabilitation scheme, special status and other benefits or privileges enjoyed, granted by any Governmental Authority or by any other person, or availed by the Transferor Company, are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions as applicable to the Transferor Company, as if the same had been allotted and/ or granted and/ or sanctioned and/ or allowed to the Transferee Company.

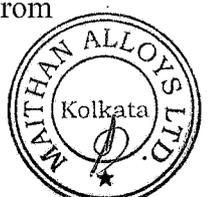
All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof for the time being in force.

References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.

The headings herein shall not affect the construction of this Scheme.

Unless the context otherwise requires:

- i. the singular shall include the plural and vice versa, and references to one gender include all genders.
- ii. references to a person include any individual, firm, body corporate (whether incorporated or not), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives' body (whether or not having separate legal personality).
- iii. reference to any law or to any provision thereof or to any rule or regulation promulgated thereunder includes a reference to such law, provision, rule or regulation as it may, from



time to time, be amended, supplemented or re-enacted, or to any law, provision, rule or regulation that replaces it.

2. OPERATIVE DATE AND EFFECTIVE DATE

The Scheme set out herein in its present form with or without any modification(s) approved or imposed or directed by the Tribunal or any other competent authority, or made as per the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

To consider the arrangement and scale of operation, and the transferor company is a wholly owned subsidiary of the transferee company, the appointed date is taken as 31st March, 2024

Any references in the Scheme to 'upon the Scheme becoming effective' or 'upon this Scheme becoming effective' or 'effectiveness of the Scheme' shall mean the Effective Date.

3. SHARE CAPITAL

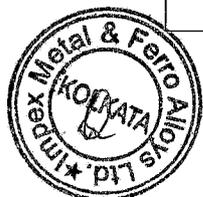
3.1. The Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor Company as on 31st day of March, 2024 is as under:

Share Capital	Amount in Rs.
Authorized Share Capital	
1,50,00,000 equity shares of Rs.10/- each	15,00,00,000
Total	15,00,00,000
Issued, Subscribed and Paid-up Share Capital	
10,00,000 equity shares of Rs.10/- each fully paid up	1,00,00,000
Total	1,00,00,000

Subsequent to 31st March, 2024 and up to the date of approval of this Scheme by the Board of the Transferor Company, there has been no change in the Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor Company.

3.2 The Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferee Company as on 31st day of March, 2024 is as under:

Share Capital	Amount in Rs.
Authorized Share Capital	
16,76,45,000 equity shares of Rs.10/- each	1,67,64,50,000
45,000 preference shares of Rs.10/- each	4,50,000
Total	1,67,69,00,000
Issued, Subscribed and Paid -up Share Capital	
2,91,11,550 equity shares of Rs.10/- each fully paid up	29,11,15,500
Total	29,11,15,500



*Reconciliation of number of shares as on 31st March, 2024

Particulars	As at 31 st March, 2024	
	Number of Shares	Amount
Equity Shares		
Outstanding at beginning of the year	2,91,11,550	29,11,15,500
Add: Shares issued during the year	1,72,70,176	17,27,01,760
Less: Shares cancelled during the year	1,72,70,176	17,27,01,760
Outstanding at the end of the year	2,91,11,550	29,11,15,500

* Pursuant to the Composite Scheme of Arrangement amongst Ma Kalyaneshwari Holdings Private Limited, Anjaney Land Assets Private Limited and Maithan Alloys Ltd, which has been approved by the NCLT, Kolkata Bench vide its Order dated February 01, 2024 with the appointed date as January 01, 2024 and consequent upon filing of the said Scheme with ROC, West Bengal, the Scheme has become effective from March 08, 2024. Accordingly, the effect of the scheme which is common control transaction has been taken in the books of Maithan Alloys Ltd (Transferor Company).

Maithan Alloys Ltd (Transferor Company) has issued and allotted 1,72,70,176 fully paid-up equity shares having face value Rs.10/- each in the proportion of the number of equity shares held by the Shareholders of the Transferor Company in the Transferor Company during the year.

Further, pursuant to the Scheme existing shares of the Company held by the Transferor Company i.e. 1,72,70,176, fully paid-up equity shares of Rs.10/- each were cancelled/ extinguished.

3.3 The equity shares of the Transferee Company are listed on BSE, NSE & CSE.

Subsequent to 31st March, 2024 and up to the date of approval of this Scheme by the Board of the Transferee Company, there has been no change in the Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferee Company.

There are no existing commitments, obligations or arrangements by the Transferee Company as on the date of approval of this Scheme by the Board of the Transferee Company to issue any further shares or convertible securities.



PART II
MERGER OF IMFAL & MAL

Section 1 – Transfer and Vesting

4. Upon the Scheme of Merger by Absorption coming into effect and with effect from the Appointed Date, pursuant to the sanction of this Scheme of Merger by Absorption by the Tribunal or any other competent authority and pursuant to the provisions of Sections 230 to 232 read with Companies (Compromises, Arrangements & Amalgamations) Rules, 2016 and other applicable provisions, if any, of the Act, the entire business and whole of the Undertaking of the Transferor Company shall be and stand vested in or be deemed to have been 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 this Scheme.

5. Transfer and Vesting of Assets

Without prejudice to the generality of **Clause 4 above**, upon this Scheme becoming effective and with effect from the Appointed Date:

- a. All the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Undertaking of whatsoever nature and where so ever situate shall or any kind of moveable property whatsoever, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law, if any, without any further act or deed, be and stand transferred to and vested in the Transferee Company and/or be deemed to be 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, properties, rights, claims, title, interest and authorities of the Transferee Company.
- b. All immovable properties of the Transferor Company, if any, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or otherwise, and all documents of title, rights and easements in relation thereto shall be vested in and/or be deemed to have been vested in the Transferee Company by operation of law pursuant to sanctioning of the Scheme and upon the Scheme becoming effective and with effect from the Appointed Date, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. Such assets shall stand vested in the Transferee Company and shall be deemed to be and become the property as an integral part of the Transferee Company by operation of law. The Transferee Company shall be entitled to exercise all rights and privileges attached to such immovable properties and shall be liable to pay the ground rent and Taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and



duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of this Scheme by the Tribunal and upon the coming into effect of this Scheme in accordance with the terms hereof. Further the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Government Authority shall suffice as a record of continuing title with Transferee Company and shall be constituted as a deemed mutation and substitution thereof. The Transferee Company shall upon the Scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard from the Transferor Company. Further, at the discretion of Transferee Company, such immovable properties including leasehold rights can be vested pursuant to a separate conveyance or any other agreement as well.

- c. Without prejudice to the provisions of Clause 5(a) and 5(b) above, in respect of such of the assets and properties of the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of vesting or transfer by delivery or possession, or by endorsement and/or delivery, the same shall stand so transferred or vested by the Transferor Company upon coming into the effect of this Scheme, and shall, become the assets and property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act, without requiring any deed or instrument of conveyance for transfer or vesting of the same.
- d. In respect of such of the assets and properties belonging to the Transferor Company (other than those referred to in Clause 5(c) above) including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any government, quasi government, local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the Transferee Company and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.
- e. All assets, rights, title, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets, rights, title, interest, investments and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date or from the date of their acquisition (after the



Appointed Date but before the Effective Date) as the case may be, pursuant to the provisions of Sections 230 to 232 of the Act.

- f. All the profits or costs, charges, or expenditure accruing to the Transferor Company in India and abroad or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purpose be treated and be deemed to be and accrue as the profits, costs, charges, expenditure or losses of the Transferee Company, as the case may be.
- g. All taxes (including but not limited to advance tax, self-assessment tax, regular tax, Minimum Alternate tax, securities transaction tax, deferred tax assets/liabilities, Foreign Tax Credit, tax deducted at source, tax collected at source, accumulated losses under Income-tax Act, 1961, allowance for unabsorbed depreciation under Income-tax Act, value added tax, sales tax, service tax, customs duty, CGST, UTGST, IGST, SGST, etc.), including any interest, penalty, surcharge and cess, if any, paid /payable by or refunded / refundable to the Transferor Company, including all or any refunds or claims or credits thereof, shall be treated as the tax paid / payable by the Transferee Company, or as the case may be, refunds/claims/credits, of the Transferee Company, and any tax incentives, advantages, privileges, accumulated losses under Income-tax Act, 1961, allowance for unabsorbed depreciation under Income-tax Act, deductions otherwise admissible such as under Sections 40, 40A, 43B, etc. of the Income-tax Act, exemptions, credits, deductions / holidays, remissions, reductions etc., as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company;
- h. All the benefits under the various incentive schemes and policies that the Transferor Company are entitled to, including tax credits, tax deferral, exemptions, holidays and benefits, subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed by the Transferor Company, rights of any claim not made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon and all rights or benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, shall upon this Scheme becoming effective and with effect from the Appointed Date be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever, shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive schemes and/or policies; and
- i. All the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, if any, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may



accrue to the Transferor Company, whether on, before or after the Appointed Date, including income tax benefits and exemptions, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in and/or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

- j. It is clarified that the Scheme shall not in any manner affect the rights and interests of the creditors of the Transferor Company or be deemed to be prejudicial to their interests.

For avoidance of doubt and without prejudice to the generality of any applicable provisions of the Scheme, it is clarified that with effect from the Effective Date until such times the names of the bank accounts of the Transferor Company would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company 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. The Transferee Company shall be allowed to maintain bank accounts in the name of Transferor Company for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company

6. Contracts, Deeds etc.

- a. Upon the Scheme of Merger by Absorption coming into effect, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, insurance, letters of Intent, memorandums of understanding, offer letters, undertaking, policies and other instruments of whatsoever nature, to which the Transferor Company are a party or to the benefit of which Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company concerned, the Transferee Company had been a party or beneficiary or oblige thereto or thereunder.
- b. Without prejudice to the other provisions of this Scheme of Merger by Absorption and notwithstanding 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 any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company are a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, after the Effective Date, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf 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.

- c. Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme and with effect from the Appointed Date, all consents, permissions, licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of 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.

7. Transfer and Vesting of Liabilities

- a. Upon the Scheme of Merger by Absorption coming into effect and with effect from the Appointed Date, all debts and liabilities of the Transferor Company including all secured and unsecured debts (in whatsoever currency), liabilities (including contingent liabilities), duties and obligations of the Transferor Company of every kind, nature and description whatsoever whether present or future, and howsoever arising, along with any charge, encumbrance, lien or security thereon (herein referred to as the "Liabilities") shall, pursuant to the sanction of this Scheme by the Tribunal and under the provisions of Sections 230 to 232 of the Act 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 have been transferred to and vested in the Transferee Company, to the extent they are outstanding on the Effective 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 7.
- b. Where any such debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date have been discharged by such Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be



deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.

- c. All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by the Transferor Company on or after the Appointed Date and prior to the Effective Date shall 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 and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed be stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- d. Loans, advances and other obligations (including any bank guarantees, performance 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 from the Appointed Date to the Effective Date become due between the Transferor Company and the 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.

8. Encumbrances

- a. The transfer and vesting of the assets comprised in the Undertaking to the Transferee Company under Clause 4, Clause 5 and Clause 6 of this Scheme shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided.
- b. All Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date, provided that if any of the assets of the Transferor Company have not been Encumbered, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above. Furthermore, no duty (including stamp duty), levy, cess of any nature will be payable by the Transferee Company at the time of transfer of the encumbrance, charge and/or right covered above with respect to the immovable property.
- c. The existing Encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the Liabilities of the Transferee Company prior to the Effective Date shall continue to relate to such assets and



properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.

- d. Any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its respective 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 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, with the Registrar of Companies to give formal effect to the above provisions, if required.
- e. Upon the Scheme of Merger by Absorption coming into effect, the Transferee Company shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of this Scheme of Merger by Absorption.
- f. It is expressly provided that, save as herein provided, no other term or condition of the Liabilities transferred to the Transferee Company is amended by virtue of this Scheme except to the extent that such amendment is required statutorily.
- g. The provisions of this Clause 8 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 instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/or superseded by the foregoing provisions.

9. Employees of Transferor Company

- a. Upon the Scheme of Merger by Absorption coming into effect, all Employees of the Transferor Company in India and/or abroad shall, become the employees of the Transferee Company, on same terms and conditions and shall not be less favourable than those on which they are engaged by the Transferor Company and without any interruption of or break in service as a result of the merger of the Transferor Company with the Transferee Company. For the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such Employees with the Transferor Company and such benefits to which the Employees are entitled in the Transferor Company shall also be taken into account and paid (as and when payable) by the Transferee Company.
- b. It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the other employees of the Transferee Company, unless otherwise determined by the



Transferee Company. Provided further that, in the event of variation in the employment policies of the Transferor Company and the Transferee Company, the Transferee Company is entitled to modify, alter such employment policies of the Transferor Company to align them with the employment policies of the Transferee Company and the Employees shall be bound by such modified policies till the time it is not prejudicial to the interests of the employees of the Transferor Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into or deemed to have been entered into by the Transferor Company with any employee of the Transferor Company.

- c. Insofar as the provident fund, gratuity fund, superannuation fund, retirement fund and any other funds or benefits created by the Transferor Company for its Employees or to which the Transferor Company are contributing for the benefit of its Employees (collectively referred to as the "Funds") are concerned, the Funds or such part thereof as relates to the Employees (including the aggregate of all the contributions made to such Funds for the benefit of the Employees, accretions thereto and the investments made by the Funds in relation to the Employees) shall be transferred to the Transferee Company and shall be held for the benefit of the concerned Employees. In the event the Transferee Company has its own funds in respect of any of the employee benefits referred to above, the Funds shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, be merged with the relevant funds of the Transferee Company. In the event that the Transferee Company does not have its own funds in respect of any of the above or if deemed appropriate by the Transferee Company, the Transferee Company may, subject to necessary approvals and permissions, maintain the existing funds separately and contribute thereto until such time that the Transferee Company creates its own funds, at which time the Funds and the investments and contributions pertaining to the Employees shall be merged with the funds created by the Transferee Company.
- d. In relation to those Employees for whom the Transferor Company are making contributions to the government provident fund or other employee benefit 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 fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Employees, such that all the rights, duties, powers and obligations of the Transferor Company as the case may be in relation to such schemes/ Funds shall become those of the Transferee Company.

10. Legal, Taxation and other Proceedings

- a. Upon the Scheme of Merger by Absorption coming into effect, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company pending on the Effective Date shall be continued and/or enforced by or



against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted by or against the Transferee Company.

- b. If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company are pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company, as the case may be, 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 this Scheme had not been made.
- c. In case of any litigation, suits, recovery proceedings including but not limited to any claims by ex-employees pertaining to any dispute prior to the Effective Date which are to be initiated or may be initiated against the Transferor Company, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company.

Section 2 – Conduct of Business

11. From the date on which the Board of Directors of the Transferor Company and the Transferee Company approve this Scheme until the Effective Date:

- a. the Transferor Company shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts and investments for and on account of, and in trust for, the Transferee Company;
- b. the Transferor Company shall carry on their business and activities with due business prudence and diligence and shall not, without prior written consent of the Transferee Company or pursuant to any preexisting obligation, sell transfer or otherwise alienate, charge, mortgage, encumber or otherwise deal with any part of its assets nor incur or accept or acknowledge any debt, obligation or liability except as is necessary in the ordinary course of business.
- c. all profits and income accruing or arising to the Transferor Company and losses and expenditure arising or incurred by them (including taxes, if any, accruing or paid in relation to any profits or income) for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case may be, of the Transferee Company;



- d. any of the rights, powers, authorities or privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company; and
- e. all taxes (including, without limitation, income tax, Minimum Alternate Tax, sales tax, service tax, VAT, excise and custom duties; Central Goods and Service Tax law (CGST), State Goods and Service Tax law (SGST), Union Territory Goods and Services Tax (UTGST), and Integrated Goods and Service Tax law (IGST), foreign taxes, etc.) paid or payable by the Transferor Company or credits thereof, in respect of the operations and/or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the tax payment (including, without limitation, income tax, sales tax, service tax, VAT, excise and custom duties, CGST, SGST, UTGST, IGST, foreign taxes, etc.), whether by way of deduction at source, tax collected at source, advance tax, self-assessment tax, regular tax, or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.
- f. if and to the extent there are inter-corporate loans, deposits, balances or agreements as between the Transferor Company and the Transferee Company, the obligations in respect thereof shall, on and from the Appointed Date, stand cancelled and there shall be no obligation/ outstanding balance in that behalf.
- g. pending sanction of the Scheme, the Transferor Company shall not, except by way of issue of shares / convertible debentures to the Transferee Company, increase its capital (by fresh issue of shares, convertible debentures or otherwise).
- h. without prejudice to the provisions of Clauses 4 to 11, with effect from the Appointed Date, all inter-party transactions amongst Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.
- i. for the avoidance of doubt, it is hereby clarified that nothing in the Scheme shall prevent the Transferee Company and/or the Transferor Company from declaring and paying dividends, whether interim or final, to its shareholders; and
- j. for the avoidance of doubt, it is hereby further clarified that nothing in the Scheme shall prevent the Transferee Company from issuance of bonus shares, rights issue, splitting or consolidation of its shares, making investments or undertaking merger or demerger or any other mode of restructuring concurrently with the Scheme.



Section 3 – Discharge of Consideration and Cancellation of share capital of Transferor Company

12. Discharge of Consideration and Cancellation of Shares

The Transferor Company is the wholly owned subsidiary of the Transferee Company. Accordingly, upon the Scheme becoming effective, no shares of the Transferee Company shall be issued in lieu of / exchange of the holding of the Transferee Company in the Transferor Company (held directly and jointly with the nominee shareholders) and the issued and paid-up capital of the Transferor Company will stand cancelled, without any further act, instrument or deed and the share certificates, if any, and/or the shares in electronic form representing the shares of all the Transferor Company shall be deemed to be cancelled without any further act or deed for cancellation and shall cease to be in existence accordingly.

It is further clarified that since the Transferor Company is a wholly owned subsidiary of the Transferee Company, no consideration shall be discharged by the Transferee Company pursuant to the Scheme of Merger by Absorption with the Transferor Company.

Section 4 - Increase in Authorised Share Capital of Transferee Company

13. Upon the Scheme becoming effective, the authorized share capital of the Transferor Company shall stand combined with and be deemed to be added to the authorized share capital of the Transferee Company. Filing fees and Stamp duty, if any, paid by Transferor Company on its authorized share capital, as applicable, shall be setoff against payable or deemed to have been so paid by the Transferee Company on the combined authorized share capital and accordingly, the Transferee Company shall not be required to pay any fee/stamp duty for its increased authorized share capital.

Consequently, existing clause IV of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 61 to 64 and other applicable provisions of the Companies Act 2013 by substituting the existing Clause with the following:

The Authorised Share Capital of the Company is INR 1,82,69,00,000/- (Rupees One Hundred Eighty-Two Crore Sixty-Nine Lakh Only) divided into 18,26,45,000 equity shares of INR 10/- (Rupees Ten) each and 45,000 redeemable cumulative Preference Shares of INR 10/- (Rupees Ten) each.



PART III

DISSOLUTION OF TRANSFEROR COMPANY, GENERAL CLAUSES, TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

14. Accounting and Tax Treatment

a. Applicability of provisions of Income Tax Act and other Tax Regulations

- i. The provisions of this Scheme as they relate to the merger of the Transferor Company with the Transferee Company has been drawn up to comply with the conditions relating to 'amalgamation' as defined under Section 2(1B) of the Income-tax Act, 1961 (hereinafter referred to as Income tax Act). If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income- tax Act, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act. Such modification will, however, not affect the other parts of the Scheme.
- ii. Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act (including for purposes of carry forward and set-off of tax losses, unabsorbed depreciation, credits and tax benefits), service tax, sales tax, VAT, excise and customs laws, as may be applicable, CGST, SGST, UTGST, IGST and other tax laws and to claim refunds and/or credits for taxes paid by Transferor Company, and to claim tax benefits, under the Income Tax Act and other tax laws etc. and for matters incidental thereto, if required to give effect to the provisions of this Scheme. The order of the Tribunal sanctioning this Scheme shall be deemed to be an order permitting the Transferee Company to prepare and/or revise its financial statements and books of accounts on and from the Appointed Date and no further act shall be required to be undertaken by the Transferee Company.
- iii. All tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date by the Transferor Company. In the event of the Transferor Company failing to continue or enforce any proceeding/appeal, the same may be continued or enforced by the Transferee Company, at the cost of the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and 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.
- iv. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the merger of the Transferor Company with the Transferee Company or anything contained in the Scheme.



v. All taxes (including but not limited to advance tax, self-assessment tax, regular tax, dividend distribution tax, securities transaction tax, deferred tax assets/liabilities, Foreign Tax Credit, tax deducted at source, tax collected at source, value added tax, sales tax, service tax, customs duty, CGST, IGST, SGST, UTGST etc.), including any interest, penalty, surcharge and/or cess, paid / payable by or refunded / refundable to the Transferor Company with effect from the Appointed Date, including all or any refunds or claims or credits shall be treated as the tax liability or refunds/ claims/credits, etc. as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, accumulated losses under Income-tax Act, allowance for unabsorbed depreciation under Income-tax Act, including payment admissible on actual payment or on deduction of appropriate taxes or on payment of tax deducted at source such as under Sections 40, 40A, 43B, etc. of the Income-tax Act, exemptions, credits, deductions/holidays, remissions, reductions, service tax input credits, GST input credits, export benefits, central value added tax credits, value added/sales tax/entry tax credits or set-offs etc., as would have been available to the Transferor Company, pursuant to this Scheme becoming effective, be available to the Transferee Company and the relevant authority shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon coming into effect of this Scheme.

vi. The Transferee Company shall also be permitted to claim refunds / credits in respect of any transaction between the Transferor Company and the Transferee Company. Without prejudice to the generality of Clause 15(a)(iii) above, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns and related withholding tax certificates, including withholding tax certificates, relating to transactions between the Transferor Company and the Transferee Company, and to claim refunds, advance tax and withholding tax credits, foreign taxes and carry forward of accumulated losses, unabsorbed depreciation etc., pursuant to the provisions of this Scheme.

vii. The taxes (including but not limited to advance tax, self-assessment tax, regular tax, dividend distribution tax, securities transaction tax, tax deducted at source, tax collected at source, service tax, value added tax, sales tax, excise and custom duties, CGST, SGST, UTGST, IGST), including any interest, penalty, surcharge and/or cess,, if any, paid by the Transferor Company under the Income tax Act, Central Goods and Services Tax Act, State Goods and Services Tax, Integrated Goods and Services Tax Act and Union Territory Goods and Service Tax Act, or any other statute for the period commencing from the Appointed Date shall be deemed to be the taxes paid by the Transferee Company and credit for such taxes shall be allowed to the Transferee Company notwithstanding that certificates or challans for such taxes are in the name of the Transferor Company and not in the name of the Transferee Company.

b. Accounting Treatment

In the books of the Transferee Company



Notwithstanding anything to the contrary herein, upon this Scheme becoming effective, the Transferee Company shall give effect to the accounting treatment in the books of accounts in accordance with "Pooling of Interest Method" of accounting as laid down in Appendix C of Indian Accounting Standard ('Ind AS')-103 (Business Combinations of entities under common control) notified under Section 133 of the Companies Act, 2013, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, in its books of accounts such that:

- A. The Transferor Company and Transferee Company all being under common control, shall record the assets and liabilities, if any, of the Transferor Company vested in it pursuant to this Scheme, at the carrying values as appearing in the consolidated financial statements of the Transferee Company. No adjustment shall be made to reflect the fair values or recognise any new Assets or Liabilities;
- B. The identity of reserve shall be preserved and shall appear in the financial statements of the transferee company, in the same form, in which they appeared in the financial statements of Transferor Company;
- C. Pursuant to this scheme of merger by absorption of the Transferor Company with the Transferee Company, the inter-company balances, if any, between the Transferee Company and the Transferor Company, appearing in the books of the Transferee Company shall stand cancelled;
- D. The value of the investments held by the Transferee Company in the Transferor Company shall stand cancelled pursuant to this scheme of merger by absorption;
- E. The surplus/deficit, if any arising after taking the effect of clause C to D, would be recorded as capital reserve (if credit) and should be presented separately from other capital reserves;
- F. In case of any difference in accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail to ensure that the financial statements reflect the financial position based on consistent account policies;
- G. Comparative financial information in the financial statement of the Transferee Company shall be restated for the account impact of the merger of the Transferor Company, as stated above, as if the merger had occurred from the beginning of comparative period presented;
- H. For accounting purpose, the Scheme will be given effect from the date when all substantial conditions for the transfer of the Transferor Company are completed;



- I. Notwithstanding anything contained above, the Transferee Company shall follow the accounting standard as applicable at the time of the Appointed Date.

15. Resolutions

Upon the Scheme of Merger by Absorption coming into effect, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and deemed to have authorized any Director of the Transferee Company or such other person(s) as authorized by any two Directors of the Transferee Company to do all acts, deeds, things as may be necessary to give effect to these Resolutions, without any further acts to be done by the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, 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.

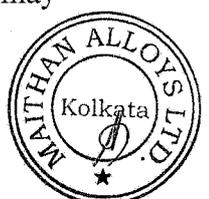
Upon the Scheme of Merger by Absorption coming into effect, the borrowing limits of the Transferee Company in terms of Section 180 of the Act shall be deemed, without any further act or deed, to have been enhanced by the aggregate limits of the Transferor Company which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date.

17. Savings of concluded transactions

The transfer and vesting of undertaking under Clause 4 to 9 above and the continuance of proceedings by or against the Transferee Company under Clause 10 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or 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 if done and executed on its behalf.

18. Dissolution of the Transferor Company

Upon the Scheme of Merger by Absorption coming into effect, the Transferor Company shall stand dissolved without winding-up without any further act or deed. On and with effect from the Effective Date, the name of the Transferor Company shall be struck off from the records of the appropriate Registrar of Companies. The Transferee Company shall make necessary filings in this regard. Even after the Scheme of Merger by Absorption becomes effective, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Company and realize all monies and complete the enforce all pending contracts and transactions in respect of the Transferor Company in the name of the Transferee Company in so far as may



be necessary until the transfer and vesting of rights and obligations of the Transferor Company to the Transferee Company under this Scheme of Merger by Absorption is formally effected by the parties concerned.

19. Conditionality to the Scheme

The effectiveness of the Scheme is conditional upon and subject to:

- i. The sanction or approval under any law or of the Central Government or any other Agency, Department or Authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.
- ii. This Scheme of Merger by Absorption being approved by the respective requisite majorities of the shareholders of the Transferor Company and the Transferee Company if required under the Act and/or as may be directed by the Tribunal and the requisite orders of the Tribunal being obtained.
- iii. The certified copy of the order of the Tribunal under Section 230 to 232 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Act sanctioning the Scheme being filed with the Registrar of Companies, Kolkata by the Transferor Company and the Transferee Company.
- iv. On the approval of this Scheme by the shareholders of the Transferor Company and the Transferee Company, if required, such shareholders shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the merger set out in this Scheme, related matters and this Scheme itself.

20. Effect of Non-Receipt of Approvals/Sanctions

In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/ or the Scheme not being sanctioned by the Appropriate Authority and / or the Order not being passed as aforesaid within such period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their Board of Directors (and which the Board of Directors of the Transferor Company and the Transferee Company are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

If any part of this Scheme hereof is invalid, held illegal or unenforceable, under any present or future laws, then it is the intention of the parties that such part shall be



