

**COMPOSITE SCHEME OF AMALGAMATION AND ARRANGEMENT
AMONGST
GUJARAT STATE PETROLEUM CORPORATION LIMITED
AND
GUJARAT STATE PETRONET LIMITED
AND
GSPC ENERGY LIMITED
AND
GUJARAT GAS LIMITED
AND
GSPL TRANSMISSION LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS
UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF
THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER**



A. PREAMBLE:

This Scheme (as defined hereinafter) is presented under Sections 230 to 232 and other applicable provisions of the Act (as defined hereinafter) for:

- (i) the amalgamation of Gujarat State Petroleum Corporation Limited (“GSPC”) with Gujarat Gas Limited (“GGL”) and other incidental matters;
- (ii) the amalgamation of Gujarat State Petronet Limited (“GSPL”) with GGL and other incidental matters;
- (iii) the amalgamation of GSPC Energy Limited (“GEL”) with GGL and other incidental matters;
- (iv) the demerger of Gas Transmission Business Undertaking (as defined hereinafter) from GGL into GSPL Transmission Limited (“GTL”) and other incidental matters; and
- (v) various other matters consequential or otherwise integrally connected therewith.

B. DESCRIPTION OF THE COMPANIES:

- (i) **Gujarat State Petroleum Corporation Limited** (hereinafter referred to as “Transferor Company 1” or “GSPC”), was incorporated on the 29th day of January 1979 under the provisions of the erstwhile Companies Act, 1956 and is an unlisted company registered with the Registrar of Companies, Ahmedabad. The Corporate Identity Number of GSPC is U23209GJ1979SGC003281. The Transferor Company 1 is a Government Company under section 2(45) of the Companies Act, 2013 and is primarily engaged in the business of natural gas trading while also having participating interest in 11 operating exploration and production blocks. Further, Transferor Company 1 is also engaged in the business of sale of electricity generated through windmills. GSPC currently owns 37.63% stake in GSPL. The registered office of GSPC is situated at GSPC Bhavan, Behind Udyog Bhavan, Sector- 11, Gandhinagar, Gujarat – 382010.
- (ii) **Gujarat State Petronet Limited** (hereinafter referred to as “Transferor Company 2” or “GSPL”), was incorporated on the 23rd day of December 1998 under the erstwhile Companies Act, 1956 and is a listed company registered with the Registrar of Companies, Ahmedabad. The Corporate Identity Number of GSPL is L40200GJ1998SGC035188. The Transferor Company 2 is a Government Company under section 2(45) of the Companies Act, 2013 and is primarily engaged in the business of transmission of natural gas through pipeline on an open access basis from supply points to demand centres. Further, the Transferor Company 2 is also engaged



in business of generation of electricity through windmills. The equity shares of GSPL are listed on BSE Limited and National Stock Exchange of India Limited. GSPL currently owns 54.17% stake in GGL. The registered office of GSPL is situated at GSPC Bhavan, Behind Udyog Bhavan, Sector- 11, Gandhinagar, Gujarat – 382010.

- (iii) **GSPC Energy Limited** (hereinafter referred to as “**Transferor Company 3**” or “**GEL**”), was incorporated on the 18th day of December, 2015 under the Companies Act, 2013 and is an unlisted company registered with the Registrar of Companies, Ahmedabad. The Corporate Identity Number of GEL is U11102GJ2015SGC085438. The Transferor Company 3 is a wholly owned subsidiary of GSPC and is a Government Company under section 2(45) of the Companies Act, 2013. Further, the Transferor Company 3 is primarily engaged in the business of trading of natural gas. The registered office of GSPC Energy is situated at GSPC Bhavan, Behind Udyog Bhavan, Sector- 11, Gandhinagar, Gujarat – 382010.
- (iv) **Gujarat Gas Limited** (hereinafter referred to as “**Transferee Company**” for the purposes of Part III, IV and V and “**Demerged Company**” for the purposes of Part VI or “**GGL**”, as the context may so require), was incorporated on the 21st day of February, 2012 under the erstwhile Companies Act, 1956 and is a listed company registered with the Registrar of Companies, Ahmedabad. The Corporate Identity Number of GGL is L40200GJ2012SGC069118. The Transferee Company is a subsidiary company of Transferor Company 2 and a Government Company under section 2(45) of the Companies Act, 2013 and is a city gas distribution company primarily engaged in the business of natural gas involving distribution of gas from sources of supply to centres of demand and to the end customers through its city gas distribution network. The equity shares of GGL are listed on BSE Limited and National Stock Exchange of India Limited. The registered office of GGL is situated at Gujarat Gas Limited, Gujarat Gas CNG Station, Sector 5/C, Gandhinagar, Gujarat – 382006.
- (v) **GSPL Transmission Limited**, (hereinafter referred to as “**Resulting Company** or “**GTL**”), was incorporated on 23rd day of July, 2024 under the Companies Act, 2013 and is an unlisted company registered with the Registrar of Companies, Ahmedabad. The Corporate Identity Number of GTL is U49300GJ2024SGC153672. The Resulting Company is a wholly owned subsidiary of Transferor Company 3 and a Government Company under section 2(45) of the Companies Act, 2013 to be engaged in the business of transmission of natural gas through pipeline on an open access basis from supply points to demand centres. The registered office of GTL is



situated at GSPC Bhavan, Behind Udyog Bhavan, Sector- 11, Gandhinagar, Gujarat
– 382010.

C. OBJECTIVE AND PURPOSE OF THE SCHEME

The GSPC Group (as defined hereinafter) is promoted by the Government of Gujarat and is, amongst others, engaged in following key businesses: (i) exploration and production of oil and gas (ii) trading of gas (iii) transmission of gas and (iv) distribution of gas; and (v) generation of electricity through windmill. At present, the above businesses are carried out through multiple entities within GSPC Group; and one of the main objectives of this Scheme is to streamline and consolidate existing businesses which are inter-linked or inter-connected to enable focused growth strategies. Further the GSPC Group wants to eliminate the layered structure to achieve the value unlocking for various stakeholders including public at large. Key objectives of the Scheme are inter-alia as follows:

- (i) **Achieving Better Business Synergies and Growth:** Through the Scheme, the synergies that exist among the entities, whose businesses are interrelated or interconnected can be put to the best advantage for the stakeholders. The Scheme will, inter-alia, make available to the Transferee Company access to gas sourcing expertise and highly diversified gas sourcing arrangements of Transferor Company 1 as well as Regasification Capacity tied-up by Transferor Company 1 thereby helping the Transferee Company in becoming more competitive in entire gas business segment. Further, the proposed Scheme will provide an opportunity to better leverage the combined asset and capital base, build a stronger and sustainable business and improve the potential for further growth and expansion of gas trading and city gas distribution business.
- (ii) **Simplification of Group Holding Structure:** The Scheme is aimed at simplifying GSPC Group's holding structure by removing the layers and crossholding.
- (iii) **Unlocking of Shareholders' Value:** By removing the layers and cross holdings and enhancing business synergies, the Scheme aims at maximizing Shareholders' Value by unlocking hidden value for shareholders. The arrangement (merger and demerger of the businesses) aims at simplifying the corporate structure of the GSPC Group making it easier to focus, manage and administer core businesses of the GSPC Group with clear accountability, reduced administrative burden and improved transparency for stake holders.



- (iv) **Improved Efficiency and Enhanced Scale of Operations:** The combined entity would have greater efficiency in cash management, unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund organic and inorganic growth opportunities. It will have large net worth and borrowing capacity to expand its business at a faster rate. The combined entity will improve the potential for further expansion of the businesses by way of increased investment strength of the combined entity.
- (v) **Optimum Utilization of Resources:** The consolidated entity will be benefited from improved organizational leadership, arising from the combination of people from relevant companies, who have diverse skills, talent and vast experience to compete successfully in an increasingly competitive market. The Scheme is also aimed at reducing administrative compliances by combining the multiple entities in the similar or inter-connected business and to reduce legal and compliance cost while at the same time meeting with the regulatory requirements of the Petroleum & Natural Gas Regulatory Board.

D. PARTS OF THE SCHEME

The Scheme is divided into the following parts:

PART I	Definitions & Interpretation
PART II	Capital Structure
PART III	Amalgamation of GSPC with GGL
PART IV	Amalgamation of GSPL with GGL
PART V	Amalgamation of GEL with GGL
PART VI	Demerger of Gas Transmission Business Undertaking (<i>defined hereinafter</i>) into GTL
PART VII	General Terms and Conditions

Each part of this Scheme shall be deemed to have taken effect as specifically provided for and in the manner and sequence set out in the Scheme. Provided however that if any Part of the Scheme as sanctioned, cannot be given effect to or implemented, then no other Part of the Scheme will be deemed to have become effective.



E. TREATMENT OF THE SCHEME FOR THE PURPOSE OF THE INCOME TAX ACT

The provisions of Part-III, Part-IV and Part-V of this Scheme are drawn up to comply with the conditions relating to “Amalgamation” as specified under Section 2(1B) of the IT Act. If any of the terms or provisions of the aforesaid Parts of this Scheme is/ are found or interpreted to be inconsistent with the provisions of Section 2(1B) of the IT Act at a later date including as a result of a retrospective amendment of law or for any other reason, the Scheme shall stand modified accordingly, to the extent determined necessary to comply with the provisions of Section 2(1B) of the IT Act. Such modifications will not however affect the other parts of the Scheme.

The provisions of Part-VI of this Scheme are drawn up to comply with the conditions relating to “Demerger” as defined under Section 2(19AA) of the IT Act. If any of the terms or provisions of the aforesaid Part of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason, the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the IT Act. Such modifications will however not affect the other parts of the Scheme.



PART – I
DEFINITIONS & INTERPRETATION

1. DEFINITIONS

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

- 1.1. **“Accounting Standards”** means the Indian Accounting Standards as notified under Section 133 of the Act read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, issued by the Central Government and the other accounting principles generally accepted in India;
- 1.2. **“Act” or “the Act”** means the Companies Act, 2013, and rules made thereunder and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force as may be applicable;
- 1.3. **“Amalgamation Appointed Date”** shall mean the 1st of April 2024;
- 1.4. **“Applicable Law” or “Law”** means relevant and applicable central, state and local laws of the Republic of India, which includes applicable statute(s), law(s), regulation(s), ordinance(s), rule(s), judgement(s), order(s), decree(s), clearance(s), approval(s), directive(s), guideline(s), requirement(s) or any similar form of determination by or decision of any Appropriate Authority, whether in effect as of the date on which this Scheme has been approved by the Board of the companies concerned, or at any time thereafter;
- 1.5. **“Appropriate Authority”** means and includes, any national, country, state, territory, provincial, district, local or similar governmental, statutory, regulatory, administrative authority, agency, board, branch, commission, department or public body or authority, MCA or court or other entity, in each case authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law; any Stock Exchange(s) of India, the Registrar of Companies, Regional Director, MCA, RBI, SEBI, Official Liquidator and any other sectoral regulators or authorities as may be applicable; and anybody exercising executive, legislative, judicial, regulatory or administrative functions including delegated function/ authority of or pertaining to government, including any government authority, agency, department, board, commission or instrumentality or any political subdivision thereof and any self-regulatory organization;



- 1.6. **“Board of Directors”** or **“Board”** in relation to the Companies, means their respective board of directors, and unless it is repugnant to the context or otherwise, includes any committee of directors or any person authorised by the board of directors or by such committee of directors duly constituted and authorised for the matters pertaining to this Scheme or any other matter relating hereto;
- 1.7. **“Book Value”** shall, for the purpose of Part-VI, means the value(s) of the assets and liabilities of the Demerged Company, as appearing in its books of accounts, at the close of the business as on the day immediately preceding the Demerger Appointed Date and excluding any value arising out of revaluation;
- 1.8. **“Business Day”** shall mean any day apart from a Saturday or a Sunday, on which banks are open for business in Gujarat, India;
- 1.9. **“BSE”** shall mean BSE Limited;
- 1.10. **“Companies”** means the Transferor Companies, Demerged Company / Transferee Company, and Resulting Company collectively;
- 1.11. **“Demerged Company”**, shall, for the purpose of Part -VI of the Scheme, mean GGL;
- 1.12. **“Demerged Undertaking”**, shall for the purpose of Part-VI of the Scheme, mean Gas Transmission Business Undertaking;
- 1.13. **“Demerger Appointed Date”** shall mean the 1st of April 2025;
- 1.14. **“Effective Date”** shall for the purpose of this Scheme mean the last of the dates on which the conditions and matters specified in Clause 70 occur or have been fulfilled, obtained or waived, as applicable, in accordance with this Scheme;

Any reference in this Scheme to the “Effective Date”, “Scheme becoming effective” or “On the Scheme becoming effective” or “Upon the Scheme becoming effective” or “Effectiveness of the Scheme” shall be construed as references to the “Effective Date”;

- 1.15. **“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, easement, attachment, 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;

1.16. **“Financial Year”** is the year starts on 1st April of the current year and ends on 31st March of the following year;

1.17. **“Gas Transmission Business Undertaking”** means the undertaking of the Demerged Company pertaining to the gas transmission business as on the Demerger Appointed Date being the business of laying, building, owning, expanding and operating natural gas pipelines which was carried on by Transferor 2 Company immediately prior to Amalgamation Appointed Date as also the Hazira – Ankleshwar Pipeline owned and operated by the Demerged Company and shall include (without limitation):

- (a) all movable properties of the Demerged Company in relation to the gas transmission business including hire purchase and lease arrangements, real or personal, corporeal or incorporeal or otherwise, present, future, contingent, tangible or intangible, and associated capital costs, plant and equipment, furniture and fixtures, office equipment, vehicles, capital work in progress, trade receivables, advances, derivative contracts, inventories, security deposits, prepaid expenses, contract assets, title, interest, cash and bank balances, bills of exchange, or other financial or non-financial assets, funds, and all other services of every kind, nature and description whatsoever and all the rights, title, interests, goodwill, benefits, fiscal incentives, entitlement and advantages, contingent rights or benefits 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 Demerged Company pertaining to the gas transmission business;
- (b) all immovable properties of the Demerged Company in relation to the gas transmission business including natural gas pipeline grid, land together with buildings and structures standing thereon (whether freehold or leasehold, leave and license, right of use, rights of way, tenancies, authorizations, permissions or otherwise) including offices, warehouses, workshops, sheds, stores, storages, cooling stations, etc. benefits of any rental agreement for any use of premises which immovable properties are currently in use for the purpose of conducting gas transmission business and all documents of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interests in connection



with the said immovable properties. It is clarified that, in so far as the immovable property(ies) used for carrying out both, the business pertaining to Remaining Undertaking as well as the gas transmission business, only such portion of the leased or owned immovable property(ies) utilised for carrying out the gas transmission business will stand transferred and/or assigned, as the case may be, to the Resulting Company, as may be mutually agreed between the Demerged Company and the Resulting Company;

- (c) all contracts, agreements, concessions (of any nature and any rights therein or thereto or thereunder), memoranda of understanding, letters of intent, other arrangements, undertakings, deeds, bonds, guarantees, letters of credit, insurance covers and claims, clearances and other instruments of whatsoever nature and description pertaining to or relating to gas transmission business, if any, whether written, oral or otherwise;
- (d) investments in subsidiaries and joint ventures pertaining to gas transmission business i.e. investments in GSPL India Gasnet Limited, GSPL India Transco Limited and subject to Clause 57.1 below, the Resulting Company;
- (e) branches, liaison offices and representative offices used in relation to the gas transmission business, if any;
- (f) all liabilities pertaining to gas transmission business, including, without being limited to, secured and unsecured debts (whether in INR or Foreign currency), sundry creditors, advances / deposits from customer, deferred revenues, duties and obligation and provisions of every kind, nature, and description of whatsoever and howsoever arising, raised, incurred or utilized;
- (g) all the reserves (including free reserves and securities premium) pertaining to the gas transmission business as on the Demerger Appointed Date;
- (h) all obligations and duties, both present and future (including obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, pertaining to the gas transmission business;
- (i) all legal (whether civil or criminal), taxation or other proceedings or investigations of whatsoever nature (including those before any Appropriate Authority) that pertain to the gas transmission business, including arbitration proceedings relating to the gas transmission business, whether pending as on the Demerger Appointed



Date or which may be instituted any time after the Demerger Appointed Date, but before the Effective Date;

- (j) all rates, taxes, duties, cess etc., that are allocable, or referable or related to the gas transmission business, including all or any refunds, interest due thereon, and all credits, refunds, interest and claims etc., relating thereto;
- (k) all books, records, files, papers, records of standard operating procedures, computer programs along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form, pertaining to the gas transmission business;
- (l) all the authorizations granted by Petroleum Natural Gas Regulatory Board pertaining to the gas transmission business, Contracts, agreements, schemes, arrangements or agreements with Ministry of Petroleum and Natural Gas (“MoPNG”) and / or Petroleum and Natural Gas Regulatory Board (“PNGRB”) and / or with any such regulatory authority, Know Your Customer (KYC) details and any other instruments pertaining to the gas transmission business;
- (m) all refunds, reimbursements, claims, concessions, exemptions, set-off, carry forward of accumulated tax business losses, unabsorbed tax depreciation and MAT credit, deferred revenue expenditure, deduction, benefits including income tax, sales tax deferrals, goods and service tax credit, deductions and benefits under the relevant Law or any other Taxation statute pertaining to the gas transmission business;
- (n) all intellectual property and intellectual property rights, brands, logos, designs, labels, tradenames and trademarks pertaining to the gas transmission business (including any applications for the same) of any nature whatsoever, including all books, approvals, records, files, papers, engineering and process information, computer programs, domain names, software licenses (whether proprietary or otherwise), research and studies, technical knowhow, confidential information and other benefits, drawings, manuals, data, catalogues, quotations, sales and advertising materials, investor credit information, pricing information, and other records whether in physical or electronic form pertaining to gas transmission business;
- (o) entire experience, credentials, past record, and market share pertaining to the gas transmission business; and



(p) all employees engaged in or in relation to the gas transmission business,

In case of any question that may arise as to whether any particular asset or liability pertains or does not pertain to the Gas Transmission Business Undertaking or whether it arises out of the activities or operations of the gas transmission business or whether any particular asset or liability is exclusively dedicated to or used for the gas transmission business or not, the same shall be decided by mutual agreement between the Board of GGL and GTL;

1.18. “Governmental Approval” means any approval but not limited to permits, authorizations, licenses, consents, registrations, approvals, municipal permissions, industrial licenses, registrations as may be required pursuant to Applicable Laws for conduct of business by any of the Companies which is a party to the Scheme or required for effecting this Scheme;

1.19. “GSPC Group” shall mean Transferor Company 1 and its subsidiaries and affiliates;

1.20. “GST” means the central tax as defined under the Central Goods and Services Tax Act, 2017, the integrated tax as defined under the Integrated Goods and Services Tax Act, 2017, the State tax as defined under State Goods and Services Tax statutes and the UTGST under the Union Territory Goods and Services Act, 2017;

1.21. “INR” means Indian Rupee, the lawful currency of the Republic of India;

1.22. “IT Act” shall mean the Income Tax Act, 1961, the rules and regulations made thereunder and shall include any statutory modification re-enactment or amendments thereof for the time being in force;

1.23. “MCA” shall mean Ministry of Corporate Affairs;

1.24. “NSE” shall mean the National Stock Exchange of India Limited;

1.25. “Permits” means all consents, licences, permits, certificates, permissions, authorisations, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory, regulatory or otherwise as required under Applicable Law;

1.26. “Person” means an individual, a partnership, a corporation, a limited liability partnership, a company, an association, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;



- 1.27. **"RBI"** shall mean the Reserve Bank of India;
- 1.28. **"Record Date 1"** shall mean the date to be fixed by the Board of Directors of the Transferee Company for the purpose of determining the shareholders of the Transferor Company 1 to whom equity shares of the Transferee Company will be allotted in terms of Part-III of the Scheme; and shall not be earlier than the Effective Date;
- 1.29. **"Record Date 2"** shall mean the date to be fixed by the Board of Directors of the Transferee Company for the purpose of determining the shareholders of the Transferor Company 2 to whom equity shares of the Transferee Company will be allotted in terms of Part-IV of the Scheme; and shall not be earlier than Record Date 1;
- 1.30. **"Record Date 3"** shall mean the date to be fixed by the Board of Directors of the Resulting Company for the purpose of determining the shareholders of the Demerged Company to whom equity shares of the Resulting Company will be allotted in terms of Part-VI of the Scheme; and shall not be earlier than Record date 2;
- 1.31. **"Registrar of Companies"** or **"ROC"** means Registrar of Companies, Ahmedabad, Gujarat;
- 1.32. **"Remaining Undertaking"** shall mean the business of the Demerged Company other than the Gas Transmission Business Undertaking i.e., all the remaining businesses (including exploration and production of oil and gas, gas trading, city gas distribution and wind power generation), undertakings, activities, properties, assets, investments and liabilities (including but not limited to, contingent liabilities, guarantees and indemnities), of whatsoever nature and kind and wheresoever situated, pertaining and/or relating to the Demerged Company, upon the completion and taking effect of the demerger of the Gas Transmission Business Undertaking in terms of this Scheme. It is clarified for avoidance of doubt that Remaining Undertaking shall include any and all investments other than investments in GSPL India Gasnet Limited, GSPL India Transco Limited and subject to Clause 57.1 below, the Resulting Company.

In case of any question that may arise as to whether any particular asset or liability pertains or does not pertain to the Remaining Undertaking or whether it arises out of the activities or operations of the Remaining Undertaking or whether any particular asset or liability is exclusively dedicated to or used for the business of Remaining Undertaking or not, the same shall be decided by mutual agreement between the Board of GGL and GTL;



- 1.33. **“Resulting Company”**, shall, for the **purpose** of Part -VI of the Scheme, mean GSPL Transmission Limited or GTL;
- 1.34. **“Scheme”** or **“the Scheme”** or **“this Scheme”** means this composite scheme of amalgamation and arrangement which includes all its schedules and annexures pursuant to Sections 230-232 and other relevant provisions of the Act, with such modifications as may be made from time to time, with the appropriate approvals and sanctions of the MCA and other relevant authority, as may be required under the Act and under all other Applicable Laws;
- 1.35. **“SEBI”** means Securities and Exchange Board of India;
- 1.36. **“SEBI LODR Regulations”** shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
- 1.37. **“SEBI Master Circular”** means the master circular no. SEBI/HO/CFD/POD- 2/P/CIR/2023/93 issued on 20th June 2023, or any other circulars issued by SEBI applicable to schemes of arrangement as amended from time to time;
- 1.38. **“Stock Exchanges”** means BSE Limited and National Stock Exchange of India Limited;
- 1.39. **“Taxation”** or **“Tax”** or **“Taxes”** means all forms of taxes and statutory, governmental, state, provincial, local government or municipal impositions, duties, contribution and levies and whether levied by reference to income, profit, book profits, gains, net wealth, asset values, turnover, added value or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction or collection at source, advance tax, minimum alternate tax, minimum alternate tax credit or otherwise or attributable directly or primarily to Transferor Companies, Transferee Company and Resulting Company, as the case may be or any other person and all penalties, charges, costs and interest relating thereto;
- 1.40. **“Tax Laws”** means all the applicable laws, acts, rules and regulations dealing with Taxes including but not limited to the any tax liability under the IT Act, Customs Act 1962, Central Excise Act, 1944, Goods and Services Tax Act, 2017, State Value Added Tax laws, Central Sales Tax Act, 1956 or GST or other applicable laws/ regulations dealing with taxes/ duties/ levies of similar nature;



1.41. “Transferor Companies” means Transferor Company 1, Transferor Company 2 and Transferor Company 3;

1.42. “Undertaking” means entire business of the Transferor Companies including, without limitation:

- (a) all the assets, contractual rights, participating interest, exploration licenses, mining leases, other leasehold rights, sub-leases and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, work-in-progress, present, future or contingent of whatsoever nature) of the Transferor Companies, whether or not recorded in the books of accounts of the Transferor Companies (including, without limitation, the freehold and leasehold properties of the Transferor Companies), investments of all kinds (including but not limited to shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates, including in subsidiaries, associates, joint ventures, whether in India or abroad), licenses, furniture, fixtures, machinery, office equipment, computers, fixed assets, current assets (including, without limitation, all inventories, stock-in-trade or stock-in-transit, supplies, finished goods, packaging items, wherever located), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Companies, financial assets, vehicles, 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 where-so-ever situated 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 Companies or in connection with or relating to the Transferor Companies 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 Companies, whether in India or abroad;
- (b) all authorizations, permissions, approvals, consents, subsidies, privileges, permits, quotas, rights, claims, entitlements, refunds, registrations (including relating to sales tax, service tax, excise duty, value added tax (hereafter “VAT”), entry tax, octroi, Goods and Services Tax (hereafter “GST”)), licenses (including all licenses,



benefits and approvals relating to EXPORTS), clearances, exemptions, authorizations, no objection certificates, registrations, income tax benefits and exemptions, indirect tax benefits and exemptions (including, but not limited to credits in respect of income tax, sales tax, service tax, excise duty, VAT, turnover tax, GST, tax credits, tax refunds, all tax holiday, including its continued benefits, incentives, exemptions, concessions and other benefits or privileges, security transaction tax, Minimum Alternate Tax (hereafter "MAT") credit, duty entitlement credit certificates, business tax losses and unabsorbed depreciation), all other rights, benefits and Transferor Companies' liabilities related thereto, 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 Companies;

- (c) all contracts, agreements, concessions (of any nature and any rights therein or thereto or thereunder), memoranda of understanding, letters of intent, other arrangements, undertakings, deeds, bonds, insurance covers and claims, clearances and other instruments of whatsoever nature and description, if any, whether written, oral or otherwise, to which the Transferor Companies are a party to, or to the benefit of which the Transferor Companies may be eligible;
- (d) all intellectual property rights of any nature whatsoever, books, records, files, papers, software licenses (whether proprietary or otherwise), and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Companies along with any and all goodwill of the Transferor Companies;
- (e) right to any claim made by the Transferor Companies in respect of refund of any tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Companies and any interest thereon, with regard to any Law made by any Appropriate Authority, and in respect of set-off, carry forward of accumulated tax business losses, unabsorbed tax depreciation and MAT credit, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under and in accordance with any Law, whether in India, or anywhere outside India; and
- (f) all liabilities of the Transferor Companies and lien, security or Encumbrance in relation thereto.



It is intended that the definition of 'Undertaking' under this Clause would enable the transfer of all property, assets, rights, duties, licenses, liabilities of whatsoever nature or description of the Transferor Companies into the Transferee Company pursuant to this Scheme.

2. INTERPRETATION

2.1. Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the IT Act and other Applicable Laws, rules, regulations, byelaws, as the case may be, including any statutory modification or re-enactment thereof, from time to time. In particular, wherever reference is made to the MCA in this Scheme, the reference would include, if appropriate, reference to the MCA or such other forum or authority, as may be vested with any of the powers of the MCA under the Act and/or rules made thereunder.

2.2. In this Scheme, unless the context otherwise requires:

- (a) any reference to the term Scheme shall mean this Composite Scheme of Amalgamation and Arrangement including any schedules / annexures thereto which shall form part of the Scheme;
- (b) any references in this Scheme to "upon this Scheme becoming effective" or "coming into effect of this Scheme" or the "Scheme becoming effective" or "Scheme becomes effective" or "effectiveness of this Scheme" or likewise shall be construed to be a reference to the Effective Date;
- (c) the headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are inserted for ease of reference only and shall not form part of the operative provisions of this Scheme and shall not affect the construction or interpretation of this Scheme;
- (d) words in the singular shall include the plural and vice versa and references to any gender includes reference to all other genders;
- (e) words "include" and "including" are to be construed without limitation;



- (f) terms “hereof”, “herein”, “hereby”, “hereto” and derivative or similar words shall refer to this entire Scheme or specified Clauses of this Scheme, as the case may be;
- (g) a reference to “writing” or “written” includes printing, typing, lithography and other means of reproducing words in a visible form including e-mail;
- (h) reference to any agreement, contract, document or arrangement or to any provision thereof shall include references to any such agreement, contract, document or arrangement as it may, after the date hereof, from time to time, be amended, supplemented or novated;
- (i) reference to the Recital or Clause shall be a reference to the Recital or Clause of this Scheme;
- (j) a reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;
- (k) headings and bold typefaces are inserted for the ease of reference and shall not affect the construction or interpretation of the Scheme;
- (l) any references to any provision of law or legislation or regulation shall include:
(i) such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the date of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the transaction entered into under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced, (ii) all subordinate legislations (including circulars, notifications, clarifications or supplement(s) to, or replacement amendment of, that law or legislation or regulation) made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment; and
- (m) in the event that the Companies enter into any definitive agreement in relation to this Scheme or any subject matter hereof, the provisions of definitive agreement shall be binding on the Companies.



3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or directed by the MCA shall be effective from the Amalgamation Appointed Date for Part-III, Part-IV, Part-V and from Demerger Appointed Date for Part-VI of the Scheme but shall be operative from and be subject to occurrence of the Effective Date.



PART – II
CAPITAL STRUCTURE

4. Capital Structure Of Companies Involved:

4.1. The authorized, issued, subscribed, and paid-up share capital of the Transferor Company 1 as on 31st July 2024:

Particulars	As of 31 July 2024	
	No. of shares	Amount (INR Crores)
Authorized:		
Equity Shares of INR 1 each	12,00,00,00,000	1,200.00
Issued, Subscribed and Paid-up:		
Equity Shares of INR 1 each	10,75,65,40,264	1,075.65

After the above date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company 1 till the date of approval of the Scheme by the Board of the Transferor Company 1.

4.2. The authorized, issued, subscribed, and paid-up share capital of the Transferor Company 2 as on 31st July 2024:

Particulars	As of 31 July 2024	
	No. of shares	Amount (INR Crores)
Authorized:		
Equity Shares of INR 10 each	70,00,00,000	700.00
Issued, Subscribed and Paid-up:		
Equity Shares of INR 10 each	56,42,11,376	564.21

After the above date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company 2 till the date of approval of the Scheme by the Board of the Transferor Company 2.



- 4.3. The authorized, issued, subscribed, and paid-up share capital of the Transferor Company 3 as on 31st July 2024:

Particulars	As of 31 July 2024	
	No. of shares	Amount (INR Crores)
Authorized:		
Equity Shares of INR 10 each	1,50,00,000	15.00
Issued, Subscribed and Paid-up:		
Equity Shares of INR 10 each	50,000	0.05

After the above date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company 3 till the date of approval of the Scheme by the Board of the Transferor Company 3.

- 4.4. The authorized, issued, subscribed, and paid-up share capital of Transferee Company / Demerged Company as on 31st July 2024:

Particulars	As of 31 July 2024	
	No. of shares	Amount (INR Crores)
Authorized		
Equity Shares of INR 2 each	8,67,55,00,000	1,735.10
7.5% Redeemable preference Shares of INR 10 each	1,70,00,000	17.00
Preference shares of INR 10 each	50,00,000	5.00
Issued, Subscribed and Paid-up:		
Equity Shares of INR 2 each	68,83,90,125	137.68

After the above date, there has been no change in the authorised, issued, subscribed and paid-up share capital of Transferee Company / Demerged Company till the date of approval of the Scheme by the Board of Transferee Company / Demerged Company.



4.5. The authorized, issued, subscribed, and paid-up share capital of the Resulting Company as on 31st July 2024:

Particulars	As of 31 July 2024	
	No. of shares	Amount (INR Crores)
Authorized		
Equity Shares of INR 10 each	50,000	0.05
Issued, Subscribed and Paid-up:		
Equity Shares of INR 10 each	50,000	0.05

After the above date, there has been no change in the authorised, issued, subscribed and paid-up share capital of Resulting Company till the date of approval of the Scheme by the Board of Resulting Company.



PART – III
AMALGAMATION OF THE TRANSFEROR COMPANY 1
WITH THE TRANSFEREE COMPANY

5. TRANSFER AND VESTING OF THE UNDERTAKING OF TRANSFEROR COMPANY 1 WITH AND INTO THE TRANSFEREE COMPANY

- 5.1 Upon the Scheme becoming effective, on and from the Amalgamation Appointed Date and subject to the provisions of the Scheme, the entire Undertaking of the Transferor Company 1 shall, pursuant to the sanction of the Scheme by the MCA and pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act, shall stand transferred to and vested in and/or deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, deed, instrument, matter so as to become, as and from the Amalgamation Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.
- 5.2 All the movable assets of the Transferor Company 1 and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery, shall be so transferred to the Transferee Company and deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, without the need to execute any separate instrument, to the Transferee Company to the end and intent that the property and benefit therein passes to the Transferee Company with effect from the Amalgamation Appointed Date. Such delivery shall be made on a date which shall be mutually agreed upon between the Transferor Company 1 and the Transferee Company on or after the Effective Date.
- 5.3 Upon this Scheme becoming effective, the secured creditors, if any, of the Transferor Company 1 and/or other holders of security over the properties of the Transferor Company 1, if any shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Transferor Company 1, as existing immediately prior to the amalgamation of the Transferor Company 1 with the Transferee Company and the secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company, if any, shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Transferee Company, as existing immediately prior to the amalgamation of the Transferor Company 1 with the Transferee Company. It is hereby clarified that pursuant to the amalgamation of the Transferor Company 1 with the Transferee Company, (a) the secured creditors of the Transferor Company 1 and/or other



holders of security over the properties of the Transferor Company 1 shall not be entitled to any additional security over the properties, assets, rights, benefits and interest of the Transferee Company and therefore, such assets of the Transferor Company 1 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 (b) the secured creditors of the Transferee Company and/or other 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 interest of the Transferor Company 1 and therefore, such assets 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.

5.4 Upon the Scheme coming into effect and with effect from the Amalgamation Appointed Date, all immovable property (including but not limited to freehold and leasehold properties, and any work-in-progress) of the Transferor Company 1, and any document of title, exploration and production blocks (including all the contractual rights, participating interests in various exploration and production blocks, exploration licenses, mining leases, etc.), all agreements including production sharing contracts, rights, interest and easements in relation thereto shall stand transferred to and be vested in the Transferee Company, as a successor of the Transferor Company 1, without any act or deed to be done or executed by the Transferor Company 1 and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay appropriate rent, rates, taxes and charges and fulfil all obligations, in relation to or applicable to all such immovable properties. The mutation and/or substitution of the title to the immovable properties shall be made and duly recorded in the name of the Transferee Company by the Appropriate Authorities and third parties pursuant to the sanction of the Scheme by the MCA and upon the Scheme becoming effective in accordance with the terms hereof without any further act or deed to be done or executed by the Transferor Company 1 and/or the Transferee Company.

5.5 Upon the Scheme coming into effect and with effect from the Amalgamation Appointed Date, in respect of any assets of the Transferor Company 1 other than those mentioned in Clause 5.1 to 5.4 above, including actionable claims, sundry debtors, outstanding loans and advances, if any, shares and securities held in other companies, all kind of banking accounts including but not limited to current and saving accounts, term deposits, recoverable in cash or kind or for value to be received



and deposits, if any, with any person including any Appropriate Authority, semi-Government, local and other authorities and bodies and customers, shall, without any further act, instrument or deed, be and stand transferred to and vested in the Transferee Company and/or be deemed to have been transferred to and vested in the Transferee Company. The Transferee Company shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of/rights in/interest in such movable property/assets in this regard.

- 5.6 Upon coming into effect of the Scheme and with effect from the Amalgamation Appointed Date, all liabilities (including contingent liabilities), duties and obligations of the Transferor Company 1, as on or after the Amalgamation Appointed Date whether provided for or not in the books of accounts of the Transferor Company 1, and all other liabilities which may accrue or arise after the Amalgamation Appointed Date but which relate to the period on or up to the day of the Amalgamation Appointed Date shall, pursuant to the MCA Order, without any further act or deed, be transferred or deemed to be transferred to and vested in the Transferee Company, so as to become as from the Amalgamation Appointed Date, the liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company 1.
- 5.7 Without prejudice to the above provisions, upon the Scheme coming into effect and with effect from the Amalgamation Appointed Date, all inter-party transactions between the Transferor Company 1 and the Transferee Company shall be considered as intra-party transactions for all purposes and shall stand cancelled. For the avoidance of doubt, it is clarified that upon the Scheme coming into effect and with effect from the Amalgamation Appointed Date, to the extent there are inter-organize loans, deposits, obligations, balances or other outstanding inter-se between the Transferor Company 1 and the Transferee Company, the rights and obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be.
- 5.8 Without prejudice to the above provisions, upon the Scheme coming into effect and with effect from the Amalgamation Appointed Date, all inter-organize contracts solely between the Transferor Company 1 and the Transferee Company shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Transferee Company. With effect from the Amalgamation Appointed Date, 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 Transferor Company 1 and the Transferee Company. For avoidance of doubt, it is hereby clarified that with effect from the Amalgamation Appointed Date, there will be no accrual of interest or other charges in respect of any inter se loans, deposits or balances between the Transferor Company 1 and the Transferee Company.

- 5.9 Upon coming into effect of the Scheme, all taxes (including but not limited to income tax, sales tax, excise duty, custom duty, cess, service tax, VAT, GST) paid or payable by the Transferor Company 1 in respect of their operations and/or the profits of businesses, on account of the Transferor Company 1 and, in so far as it relates to tax payment whether by way of deduction or collection at source, advance tax or otherwise whatsoever, by the Transferor Company 1 in respect of the operations and/or the profits of the business after the Amalgamation Appointed Date shall be deemed to be the corresponding taxes paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.
- 5.10 Upon coming into effect of the Scheme, all the profits or income, taxes, losses (including any carry forward accumulated tax business losses, unabsorbed tax depreciation, advance tax, tax deducted or collected at source, foreign tax credit and MAT credit, GST credit as per applicable tax laws) or any costs, charges, expenditure accruing or arising to the Transferor Company 1 or expenditure or losses arising or incurred or suffered by the Transferor Company 1 shall for all purposes be treated and deemed to be treated and accrued from the Amalgamation Appointed Date as the profits or income, taxes (including any carry forward of accumulated tax losses, unabsorbed depreciation, advance tax, tax deducted or collected at source, foreign tax credit, MAT credit in terms of applicable tax laws), costs, charges, expenditure or losses of the Transferee Company, as the case may be as per the Applicable Laws.
- 5.11 For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon coming into effect of this Scheme and with effect from the Amalgamation Appointed Date, in accordance with the provisions of relevant Laws, consents, approvals, permissions, all licenses, approvals, registrations, certificates, grants, subsidies, concessions, authorities (including for the operation of bank accounts and demat accounts), powers of attorneys given by, issued to or executed in favour of the Transferor Company 1, and the rights and benefits and liabilities under the same shall, in so far as they relate to the Transferor Company 1 and all quality certifications and approvals, permits, quotas, rights, entitlements, tenancies, immovable properties, patents and domain names, copyrights, brands, logo, vendor



registrations, customers information & contracts, trade secrets, product registrations and other intellectual and industrial property and all other interests relating to the goods or services being dealt with by the Transferor Company 1, shall without any further act or deed be transferred to and vested in the Transferee Company under the same terms and conditions as were applicable to the Transferor Company 1 immediately prior to the coming into effect of this Scheme. In so far as the various incentives, sales tax, deferral benefits, subsidies (including applications for subsidies), available tax credits (including MAT credit, GST credit if any), rehabilitation schemes, grants, permissions, approvals, sanctions, remissions, special reservations, income tax benefits and exemptions, all tax holiday, including its continued benefits, incentives, exemptions, concessions and other benefits or privileges, concessions, special status and other benefits or privileges enjoyed, granted by any person (including any Appropriate Authority), or availed of or to be availed of by the Transferor Company 1 is concerned, the same shall, without any further act or deed, in so far as they relate to the Transferor Company 1, vest with and be available to the Transferee Company on the same terms and conditions as were applicable immediately prior to the coming into effect of this Scheme. The Transferee Company may apply for the necessary endorsement from the Appropriate Authorities as may be required under Applicable Law and shall file the relevant intimations, if any, for the record of the Appropriate Authorities who shall take them on file, pursuant to the Scheme coming into effect.

- 5.12 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of the Scheme; (ii) uninterrupted transfer of the relevant consents, approvals, intellectual property rights, permissions, licenses, registrations, certificates etc.; and (iii) continued vesting of the benefits, exemptions available to the Transferor Company 1 in favour of the Transferee Company, the Board of Directors of the Transferee Company or any person authorized by it shall be deemed to have been authorized to execute or enter into necessary documentations with any regulatory authorities or third parties and take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement, if applicable and the same shall be considered as giving effect to the MCA Order and shall be considered as an integral part of this Scheme. Further, the Transferee Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable, on behalf of the Transferor Company 1 and to carry out or perform all such formalities or compliance required for the purpose of implementation of the provisions of the Scheme.



- 5.13 On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts, demat accounts, if any, of the Transferor Company 1 and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Transferor Company 1 in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company 1 to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.
- 5.14 For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that with effect from the Effective Date and till such time the name of the bank accounts of the Transferor Company 1 would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company 1 in the name of the Transferor Company 1 in so far as may be necessary. All cheques and other negotiable instruments, deposit slips, payment orders received or presented for encashment which are in the name of the Transferor Company 1 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 1 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 1. It is hereby expressly clarified that any legal proceedings by or against the Transferor Company 1 in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company 1 shall be instituted, or as the case may be, continued, by or against, the Transferee Company after the coming into effect of the Scheme.
- 5.15 All electricity connections sanctioned by various public sector and private companies, boards, agencies and authorities to the Transferor Company 1, together with security deposits and all other advances paid, shall stand automatically transferred and vested in favour of the Transferee Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The relevant electricity companies, boards, agencies and authorities shall issue invoices in the name of the Transferee Company with effect from the billing cycle commencing from the month immediately succeeding the month in which an intimation of the



MCA's approval of this Scheme is filed by the Transferee Company with them. The Transferee Company and the relevant electricity companies, boards, agencies and authorities shall continue to comply with the terms, conditions and covenants associated with the grant of such connection. Without limiting the generality of the foregoing, the Transferee Company shall also be entitled to refund of security deposits paid to or placed with such electricity companies, boards, agencies, Municipal Corporation, statutory and other authorities by the Transferor Company 1.

LIABILITIES, DEBTS OBLIGATIONS & SECURITY

- 5.16 With effect from the Amalgamation Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description relating to the Transferor Company 1 shall, under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company, so as to become, with effect from the Amalgamation Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.
- 5.17 Where any of the liabilities and obligations/assets attributed to the Transferor Company 1 on the Amalgamation Appointed Date have been discharged/ sold by the Transferor Company 1 after the Amalgamation Appointed Date and prior to the Effective Date, such discharge/sale shall be deemed to have been for and on behalf of the Transferee Company.
- 5.18 Any payment or discharge of any liabilities, debts or obligations pertaining to the Transferor Company 1 by the Transferee Company shall be deemed to have been made for and on behalf of the Transferor Company 1 and shall constitute a valid discharge.
- 5.19 This Scheme shall not operate to enlarge or extend the security for any of the liabilities of the Transferor Company 1 and the Transferee Company shall not be obliged to create any further or additional security therefor, after the Effective Date, unless otherwise agreed to by the Transferee Company,



5.20 In so far as the existing security in respect of the liabilities is concerned, such security shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets forming part of the Undertakings of the Transferor Company 1 which have been charged and secured, and subsisting as on the Effective Date, in respect of the liabilities. Provided that if any of the assets of the Transferor Company 1 have not been charged or secured in respect of the liabilities, such assets shall remain unencumbered, and the existing security referred to above shall not be extended to and shall not operate over such assets.

6. CONSEQUENTIAL TAX MATTERS

- 6.1. Upon the Scheme becoming effective, the Transferor Company 1 and the Transferee Company shall have the right to reopen their books of accounts (for relevant financial year to give effect of this Scheme if required) and revise their tax returns viz. income tax, withholding tax and any other statutory returns and filings under the tax laws, along with prescribed forms, filings and annexures under the IT Act (even in a case where the due date to revise the income tax returns have expired under the provisions of the IT Act), and laws in relation to the GST, central sales tax, applicable State VAT, entry tax, service tax, excise duty and other tax laws, and to claim refunds and/or credit for taxes paid (including advance tax, self-assessment tax, tax deducted or collected at source, MAT, foreign tax credit, dividend distribution tax, wealth tax, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme.
- 6.2. All tax assessment/ adjudication proceedings/ appeals of whatsoever nature by or against the Transferor Company 1 pending and/or arising at the Amalgamation Appointed Date and relating to the Transferor Company 1 shall be continued and/or enforced until the Effective Date by the Transferor Company 1. 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 1. Accordingly, it is expressly clarified that, after the Effective Date, any income tax notice including but not limited to Intimation, order, letter relating to any matter of IT Act, assessment, or any other communication related to income-tax proceedings with respect to the Transferor Company 1 for any period prior to the Effective Date shall be issued in the name of and be the responsibility of the Transferee Company. Further, the aforementioned proceedings shall not abate or be discontinued nor be



in any way prejudicially affected by reason of the amalgamation of the Transferor Company 1 with the Transferee Company or anything contained in the Scheme.

- 6.3. Any refund, under the IT Act and laws in relation to service tax, excise duty, central sales tax, applicable state VAT, entry tax, customs, foreign trade policy, GST, State industrial and incentive policies and schemes or other Applicable Laws or regulations dealing with taxes or duties or levies due to Transferor Company 1 consequent to the assessment made on Transferor Company 1 (including any refund for which no credit is taken in the accounts of the Transferor Company) as on the date immediately preceding the Amalgamation Appointed Date shall also belong to and be received by the Transferee Company upon this Scheme becoming effective.
- 6.4. The tax payments (including, without limitation income tax, dividend distribution tax, service tax, excise duty, central sales tax, applicable state VAT, entry tax, customs, GST etc.) whether by way of tax deducted or collected at source, advance tax or otherwise howsoever, by the Transferor Company 1 after the Amalgamation Appointed Date, shall be deemed to be paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 6.5. Further, any tax deducted or collected at source by Transferor Company 1 or the Transferee Company on transactions with the Transferee Company or the Transferor Company 1, if any (from Amalgamation Appointed Date to Effective Date) shall be deemed to be advance tax / advance tax deducted or collected at source paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 6.6. Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company 1 shall be made or deemed to have been made and duly complied with by the Transferee Company.
- 6.7. For the period after the Amalgamation Appointed Date, all its continued benefits, incentives, exemptions, concessions and other benefits or privileges enjoyed by the Transferor Company 1 granted by any government body, regulatory authority, local authority, by any other person or law or availed of by the Transferor Company 1, the same shall without any other further act or deed shall vest with and be available to the Transferee Company on the same terms and conditions.
- 6.8. Without prejudice to the generality of the above, all benefits, incentives, losses (including but not limited to book losses and tax business losses), unabsorbed depreciation (including but not limited to book unabsorbed depreciation and tax



unabsorbed depreciation), credits (including, without limitation income tax, MAT, tax deducted or collected at source, foreign tax credit, dividend distribution tax, wealth tax, service tax, excise duty, central sales tax, applicable state VAT, GST, customs duty, foreign trade policy benefits, State industrial policy and incentive schemes, drawback, etc.) to which the Transferor Company 1 is entitled to, shall be available to and vest in the Transferee Company, in terms of Applicable Laws, upon this Scheme coming into effect.

- 6.9. Notwithstanding anything to the contrary contained in this Scheme, the Transferee Company, shall, upon the sanction of this Scheme by the MCA and with effect from the Amalgamation Appointed Date, be entitled to carry forward and set off the accumulated losses and unabsorbed depreciation of the Transferor Company 1 in accordance with the provisions of Section 72A of the IT Act. Further, it is expressly clarified that the Transferee Company hereby agrees and undertakes to fulfil all the conditions necessary as per the provisions of Section 72A of the IT Act, and the rules framed thereunder to give effect to this Scheme.
- 6.10. Upon the coming into effect of this scheme, all tax compliances under any Tax Laws by the Transferor Company 1 on or after Amalgamation Appointed Date shall be deemed to be made by the Transferee Company.
- 6.11. All the deductions otherwise admissible to the Transferor Company 1, including payment admissible on actual payment basis or on deduction of appropriate Taxes or on payment of TCS or TDS (such as Section 43B, Section 40, Section 40A etc. of the IT Act) will be eligible for deduction to the Transferee Company, upon fulfilment of conditions, if any, required under the IT Act.

7. LEGAL PROCEEDINGS

- 7.1 It is clarified that any and all undertaking, declarations or the like statements submitted by Transferor Company 1 before any courts, tribunal or like judicial authority shall continue to be valid and be binding upon the Transferee Company. Upon the Scheme being effective, the Transferee Company shall take all steps necessary to substitute its name in place of the Transferor Company 1 in all the pending litigations by or against the Transferor Company 1. If any suits, actions and proceedings of whatsoever nature (hereinafter referred to as the “**Legal Proceedings**”) by or against the Transferor Company 1 are pending on the Effective Date, the same shall not abate / be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company 1 with the Transferee



Company or anything contained in the Scheme, but on and from the Effective Date, the Legal Proceedings may be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Company 1, in the absence of the Scheme.

7.2 It is clarified that until this Scheme comes into effect, the Transferor Company 1 shall in consultation with the Transferee Company continue and enforce the Legal Proceedings whether pending or initiated pending the coming into effect of this Scheme.

8. CONTRACTS, DEEDS, BONDS, APPROVALS AND OTHER INSTRUMENTS

8.1. For avoidance of doubt and without prejudice to the generality of Clause 5 and 7 above, it is clarified that upon coming into effect of this Scheme and with effect from the Amalgamation Appointed Date and without any further act of the Transferor Company 1 and the Transferee Company, all memoranda of understanding, contracts, insurance policies, contractual rights, participating interests, licenses, leases, guarantees issued by or on behalf of Transferor Company 1, no objection certificates, rights, consents, permissions, quotas, deeds, bonds, agreements, arrangements, mortgages, indemnity, incentives, engagements, registrations, schemes, assurances, licenses, insurance policies and claims, business claims, guarantees, powers of attorney, authorities given by, issued to or executed in favour of the Transferor Company 1, quality certifications and approvals, trademarks, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other intellectual property and other interests relating to the Undertaking and other instruments (including all tenancies, leases), and other assurances in favour of the Transferor Company 1 or powers or authorities granted by or to it) of whatsoever nature to which the Transferor Company 1 is a party or to the benefit of which the Transferor Company 1 may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be transferred to and vested in the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the rights and benefits under the same shall be available to the Transferee Company and, shall continue in full force and effect against or in favour of the Transferee Company as the case may be, under the same terms and conditions, and may be enforced as fully and effectually as if, instead of the Transferor Company 1, the Transferee Company had been a party or beneficiary or obligor or obligor thereto. It is clarified that any and



all guarantees or similar instruments issued by any Person (including any Government) on behalf of or guaranteeing performance of Transferor Company 1 shall be deemed to be continued in favour of all such beneficiaries as if such guarantees or similar instruments were issued by such Persons (including any Government) on behalf of or guaranteeing performance of the Transferee Company.

- 8.2. It is hereby clarified that by virtue of the provisions of the Scheme and pursuant to the MCA Order sanctioning the Scheme, upon the Scheme coming into effect, all rights, services, obligations, liabilities, responsibilities undertaken by or in favour of the Transferor Company 1 under any contractual arrangements shall automatically stand transferred to and vested in and/or shall be deemed to have been transferred to and vested in the Transferee Company and all benefits to which the Transferor Company 1 is entitled to shall be available to and vested in and/or shall be deemed to have been available to and vested in the Transferee Company, as a successor-in-interest and the Transferee Company shall be entitled to deal with the same instead of the Transferor Company 1, as if the same were originally performed or conferred upon or given or issued to or executed in favour of the Transferee Company, and the rights and benefits under the same will be available to the Transferee Company, without any further act or deed. The Transferee Company shall discharge its obligation in respect of the services to be performed/ provided or in respect of payment of service charges under any contractual arrangements instead of the Transferor Company 1.
- 8.3. Without prejudice to the above, the Transferee Company shall, if so desirable or required or as may be necessary, upon the coming into effect of this Scheme and with effect from the Amalgamation Appointed Date, issue writings, confirmations, deeds, undertaking or other documents to the extent that the Transferor Company 1 is required prior to the Effective Date to issue such writings, deeds, undertakings, confirmations or other documents, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company 1, as the case may be. Further, the Transferee Company shall be deemed to be authorized to issue any such writings or confirmations or other documents on behalf of the Transferor Company 1 and to implement or carry out all formalities required on the part of the Transferor Company 1.
- 8.4. Without prejudice to the above, it is further clarified that with respect to approvals, permissions, licenses, registrations, consents that may require amendment for the purpose of giving effect to this Scheme and to ensure that there is no change in the



entitlements otherwise available to the Transferor Company 1 in the absence of this Scheme, the Transferee Company shall be permitted to use the name and approvals, permissions, licenses, registrations, consents of the Transferor Company 1 till such approvals, permissions, licenses, registrations, consents are so amended and updated, so as to enable the Transferee Company to continue to avail the entitlements otherwise available to the Transferor Company 1.

8.5. Without prejudice to the generality of the foregoing, all leave and licence agreements/deeds, lease agreements/deeds, bank guarantees, performance guarantees and letters of credit, agreements with any government entity, department, commission, board, agency, bureau or official, hire purchase agreements, lending agreements and such other agreements, deeds, documents and arrangements pertaining to the business of the Transferor Company 1 or to the benefit of which the Transferor Company 1 may be eligible and which are subsisting or having effect immediately before the Effective Date, including all rights and benefits (including benefits of any deposit, advances, receivables or claims) arising or accruing therefrom, shall, with effect from Amalgamation Appointed Date and upon this Scheme becoming effective, by operation of law pursuant to the vesting order of the MCA, be deemed to be contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses of the Transferee Company.

9. SAVING OF CONCLUDED TRANSACTIONS

9.1. The transfer of the assets and liabilities of the Transferor Company 1 under Clause 5 above, the continuance of Legal Proceedings under Clause 7 above and the effectiveness of contracts, deeds, bonds, approvals and other instruments under Clause 8 above, shall not affect any transaction or Legal Proceedings already concluded by the Transferor Company 1 on or before 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 1 in respect thereto, as if done and executed on its behalf.

10. EMPLOYEES

10.1. Upon the coming into effect of this Scheme, all the employees of Transferor Company 1, if any, who are in service on the date immediately preceding the date on which the Scheme finally takes effect (i.e. the Effective Date), on and from the Effective Date, shall become the employees of the Transferee Company without any



break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions than those on which they are engaged by the Transferor Company 1 immediately preceding the Effective Date.

10.2. Transferee Company agrees that the service of all employees of the Transferor Company 1 immediately prior to the coming into effect of this Scheme shall be taken into account from the date of their respective appointment with the Transferor Company 1 for the purposes of all retirement benefits to which they may be eligible in Transferee Company immediately prior to the coming into effect of this Scheme. Transferee Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other retiral and terminal benefits, such past service with Transferor Company 1, shall also be taken into account and agrees and undertakes to pay the same as and when payable.

10.3. Upon the coming into effect of this Scheme, the Transferee Company shall make all the necessary contributions for such transferred employees and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme instituted under any statute or otherwise. Transferee Company will also file relevant intimations to the Appropriate Authorities concerned who shall take the same on record and substitute the name of Transferee Company in place of Transferor Company 1.

10.4. In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by Transferor Company 1 for employees, shall be transferred to the necessary funds, schemes or trusts of Transferee Company and till the time such necessary funds, schemes or trusts are transferred , all contributions shall continue to be made to the existing funds, schemes or trusts of the Transferor Company 1 by the Transferee Company and the relevant employees.

11. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

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

(a) The Transferor Company 1 shall be deemed to have been carrying on and shall carry on its businesses and activities and shall be deemed to have held and



stood possessed of and shall hold and stand possessed of all of the assets of the Transferor Company 1 for and on account of, and in trust for, the Transferee Company. The Transferor Company 1 hereby undertakes to hold the said assets with utmost prudence until the Effective Date.

- (b) All the profits or income, taxes (including any carry forward accumulated losses, unabsorbed depreciation, advance tax, tax deducted or collected at source, foreign tax credit and MAT credit) or any costs, charges, expenditure accruing to the Transferor Company 1 or expenditure or losses arising or incurred or suffered by the Transferor Company 1 shall for all purpose be treated and be deemed to be and accrue as the profits, taxes, incomes, costs, charges, expenditure or losses of the Transferee Company, as the case may be, and will be available to the Transferee Company for being disposed of in any manner as it thinks fit, post the Effective Date.

11.2. With effect from the date of the Board of Directors of the Transferee Company approving the Scheme and up to and including the Effective Date:

- (a) The Transferor Company 1 shall carry on its businesses and activities with reasonable diligence, business prudence and shall not, without the prior written consent of the Transferee Company, venture into new businesses, invest in shares or securities, alienate, charge, mortgage, encumber or otherwise deal with or dispose of the undertaking or any part thereof, except in the ordinary course of business or with the prior written consent of the Transferee Company.
- (b) The Transferor Company 1 shall not without prior written consent of the Transferee Company undertake any new business.
- (c) The Transferor Company 1 shall not take any major policy decisions in respect of its management and for its business and shall not change its present capital structure without the prior written consent of the Transferee Company.

12. CONSIDERATION

12.1. Upon coming into effect of this Scheme and with effect from Amalgamation Appointed Date, the equity shares held by the Transferee Company in the Transferor Company 1 shall stand automatically cancelled with effect from the



Effective Date without any further application, act or deed and no new shares in form of consideration shall be issued against the same.

- 12.2. The Transferee Company shall without any further application, act, instrument or deed, issue and allot to each shareholder of the Transferor Company 1 whose name is recorded in the register of members of the Transferor Company on the Record Date 1, subject to Clause 12.1 hereinabove, in the following ratio (“**T1 Share Exchange Ratio**”):

“10 (Ten) fully paid equity shares of INR 2/- (INR Two only) each of the Transferee Company for every 305 (three hundred and five) fully paid equity share of INR 1 (INR One only) held by such shareholder in the Transferor Company 1”

- 12.3. The T1 Share Exchange Ratio has been arrived at on basis of the joint valuation report prepared by Ernst & Young Merchant Banking Services LLP (IBBI registration number IBBI/RV-E/05/2021/155) and SSPA & Co., Chartered Accountants (IBBI registration number IBBI/RV-E/06/2020/126), being the Registered Valuers. A fairness opinion for the same has been obtained from Saffron Capital Advisors Private Limited, a SEBI registered Category – I Merchant Banker. The said Valuation Report and Fairness Opinion have been duly considered by the Board of Directors of the Transferee Company and the Transferor Company 1.
- 12.4. The shares to be issued and allotted by the Transferee Company in terms of Clause 12.2 above 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 with the existing shares of Transferee Company.
- 12.5. No fractional certificate(s) shall be issued by the Transferee Company in respect of any fractions which the equity shareholders of Transferor Company 1 may be entitled to on issue and allotment of new equity shares pursuant to the Scheme. The Board of Directors of the Transferee Company shall instead, consolidate all such fractional entitlements and allot new equity shares in lieu thereof to a trust as the Board of Directors of Transferee Company shall appoint in this regard who shall hold the new equity shares in trust on behalf of the equity shareholders entitled to such fractional entitlements with express understanding that such trust shall sell such shares in the market at such price, within a period of 90 (ninety)



days from the date of allotment of shares, and arrange for the net sale proceeds, after applicable deductions, to the equity shareholders entitled in proportion to their respective fractional entitlements. In case the number of such new shares to be allotted to the said trust by virtue of consolidation of fractional entitlements is a fraction, one additional equity share will be issued in the Transferee Company, subject to Applicable Laws. The equity shares that are to be issued in terms of this Scheme shall be issued in dematerialised form.

- 12.6. As mandated under the regulations framed by SEBI in this regard, the Transferee Company will issue shares pursuant to the Scheme only in electronic form and to the demat account of the respective shareholders. In the event of any shareholder failing to communicate their demat account details to the Transferee Company before the Record Date 1, the shares issued by the Transferee Company will be kept in a suspense account and will be credited to the demat account(s) of the respective shareholders, as and when such details are received.
- 12.7. The issue and allotment of shares by the Transferee Company to the equity shareholders of the Transferor Company 1 as provided in this Scheme as an integral part thereof, shall be deemed to have been carried out without any further act or deed by Transferee Company as if the procedure laid down under Section 62(1)(c) of the Act and any other applicable provisions were duly complied with.
- 12.8. The equity shares issued by the Transferee Company under this Clause shall be listed and admitted to trading on the Stock Exchanges i.e. NSE and BSE, pursuant to this Scheme and in compliance with the applicable regulations and the applicable SEBI circulars. The Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of applicable SEBI circulars and other applicable provisions of Law and take all steps to procure the listing of the equity shares issued by it.
- 12.9. The equity shares issued by the Transferee Company, pursuant to this Part of the Scheme shall remain frozen in the depository system till listing/ trading permission is granted by the Stock Exchanges i.e. NSE and BSE.
- 12.10. If there are any pending transfers, whether lodged or outstanding, of any shareholders of the Transferor Company 1, the Board of Directors of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date 1, to effectuate such a transfer in the records of the Transferor Company 1, as if such changes in the registered holder were



operative as on the Record Date 1, in order to remove any difficulties arising to the holder/ transferee of the shares in the Transferor Company 1 and in relation to the equity shares to be issued by the Transferee Company after this Scheme becoming effective.

12.11. The shares to be issued and allotted by the Transferee Company to the shareholders of the Transferor Company 1 shall be issued in dematerialized form.

13. ACCOUNTING TREATMENT OF AMALGAMATION OF TRANSFEROR COMPANY 1 INTO THE TRANSFEEE COMPANY:

ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEROR COMPANY 1

13.1. As the Transferor Company 1 shall stand dissolved without being wound-up upon the Scheme becoming effective, hence there is no accounting treatment (except for the accounting treatment mentioned in Clause 19 below) prescribed under the Scheme in the Books of Transferor Company 1.

ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEEE COMPANY

13.2. Notwithstanding anything else contained in the Scheme, upon the Scheme coming into effect and with effect from the Amalgamation Appointed Date, the Transferee Company shall account for the amalgamation of the Transferor Company 1 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:

13.2.1 All the assets, liabilities and reserves in the books of the Transferor Company 1 shall stand transferred to and vested in the Transferee Company pursuant to this Scheme and shall be recorded by the Transferee Company at their respective carrying amounts as appearing in the books of the Transferor Company 1.



- 13.2.2 The identity of the reserves pertaining to the Transferor Company 1, shall be preserved and they shall be recorded in the financial statements of the Transferee Company in the same form in which they appeared in the books of the Transferor Company 1 (after giving effect of Clause 19 below), and it shall be aggregated with the corresponding balance appearing in the books of the Transferee Company.
- 13.2.3 All the inter-company balances between the Transferee Company and Transferor Company 1, appearing in the books of the Transferee Company shall stand cancelled and there shall be no further obligation in that behalf.
- 13.2.4 The value of the investments held by the Transferee company in the Transferor Company 1 along with fair value gain or loss recorded in other comprehensive income, if any, shall stand cancelled pursuant to amalgamation.
- 13.2.5 The Transferee Company shall credit to its share capital account the aggregate face value of the equity shares issued by it pursuant to the Scheme.
- 13.2.6 The surplus/deficit, if any arising after taking the effect of Clause 13.2.1, 13.2.2, 13.2.4 and 13.2.5 and after giving the effect of adjustments referred to in Clause 13.2.3 shall be transferred to Capital Reserve / Amalgamation Adjustment Reserve in the financial statements of the Transferee Company and the same would be presented separately from other capital reserves with disclosure of its nature and purpose in the notes to the financial statements of the Transferee Company.
- 13.2.7 The comparative financial information presented in the financial statements of the Transferee Company should be restated as if the business combination had occurred from the beginning of the comparative period.

14. VALIDITY OF EXISTING RESOLUTIONS, ETC.

- 14.1. Upon coming into effect of the Scheme and with effect from the Amalgamation Appointed Date, the resolutions of the shareholders and the Board of Directors of Transferor Company 1, including resolutions of any committees authorized by and comprising inter alia of members of the Board of Directors of Transferor Company 1, as are considered necessary by the Board of Directors of Transferee Company and



which are validly subsisting, shall be considered as resolutions of Transferee Company.

14.2. With effect from the Effective Date, the security creation, borrowing and investment limits of the Transferee Company under the Act shall be deemed, without any further act or deed, to have been enhanced by the security creation, borrowing and investment limits of the Transferor Company 1, such limits being incremental to the existing limits of the Transferee Company.

14.3. Any corporate approvals obtained by the Transferor Company 1, whether for purposes of compliance or otherwise, shall stand transferred to the Transferee Company and such corporate approvals and compliance shall be deemed to have been obtained and complied with by the Transferee Company.

15. CONSOLIDATION OF AUTHORISED CAPITAL

15.1. Upon the effectiveness of this Scheme, the authorised share capital of the Transferor Company 1 shall be merged with that of the Transferee Company and the Transferee Company shall pay additional fees and duties, if any after setting off the fees, if any, paid by the Transferor Company 1. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the Appropriate Authority and no separate procedure or further resolution under Section 61 read with Section 13 of the Act or instrument or deed or payment of any stamp duty and registration fees shall be required to be followed under the Act.

15.2. It is clarified that the approval of the shareholders of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the consequential alteration of the Memorandum and Articles of Association of the Transferee Company and the Transferee Company shall not be required to seek separate consent / approval of its shareholders for such alteration of the Memorandum and Articles of Association of the Transferee Company as required under Sections 13, 14, 16, 61, 62 and 64 of the Act and other applicable provisions of the Act.

15.3. The clause V of Memorandum of Association and clause 4 of the Articles of Association (if required) of Transferee Company shall stand amended as under:

'The Authorised share capital of the Company is Rs. 29,35,10,00,000 (Rupees Twenty-Nine hundreds Thirty-Five crores Ten Lakh only) divided into 14,67,55,00,000 (Fourteen Hundred



Sixty-Seven Crore Fifty-Five Lakh only) Equity shares of Rs.2/- each, 1,70,00,000 (One crore Seventy Lakh only), 7.5% Redeemable Preference Shares of Rs.10/- each and 50,00,000 (Fifty Lakh only) Preference Shares of Rs.10/- each.”

16. DISSOLUTION OF THE TRANSFEROR COMPANY 1

- 16.1. On the Scheme becoming effective, the Transferor Company 1 shall be dissolved without being wound up without any further act by the Transferor Company 1 and the Transferee Company.
- 16.2. On and with effect from the Effective Date, the name of the Transferor Company 1 shall be struck off from the records of the RoC. The Transferee Company shall make all necessary filings in this regard. The Transferee Company shall maintain the books and records of the Transferor Company 1, in terms of provisions of Section 239 of the Act.
- 16.3. Any obligations or steps which need to be undertaken by the Transferor Company 1 pursuant to the sanction of this Scheme shall be fulfilled by the Transferee Company.

17. REDUCTION OF SECURITIES PREMIUM ACCOUNT AND RECLASSIFICATION OF RESERVES OF TRANSFEROR COMPANY 1

- 17.1. As on 1st April 2024, the other equity schedule as appearing in the books of accounts of Transferor Company 1 is as under:

Particulars	(INR Crores)
Capital Reserve	1.28
Securities Premium	9,471.78
General Reserve	3,245.14
Retained Earnings	(8,668.15)
Other Comprehensive Income	2,054.49
Total	6,104.54



- 17.2. Upon the Scheme becoming effective and with effect from Amalgamation Appointed Date, Retained Earnings as appearing in books of accounts of Transferor Company 1 as on the Amalgamation Appointed Date, shall be adjusted against the Security Premium Account of Transferor Company 1 as appearing as on the Amalgamation Appointed Date. The proposed adjustment of the Securities Premium Account would not have any impact on the shareholding pattern, and the capital structure of Transferor Company 1.
- 17.3. This utilization of securities premium and consequential capital reduction of Transferor Company 1 shall be given effect to as an integral part of this Scheme itself and not under a separate procedure, in terms of Section 52(1) read with Section 66 of the Act, and the order of the MCA sanctioning this Scheme shall be deemed to be an order under Section 66 of the Act, or any other applicable provisions, confirming the reduction. The consent of the shareholders of Transferor Company 1 to this Scheme shall be deemed to be the consent of its shareholders for the purpose of effecting the reduction under the provisions of Section 52(1) read with Section 66 of the Act as well and no further compliances would be separately required. Transferor Company 1 shall not, nor shall be obliged to, (i) call for a separate meeting of its shareholders and / or creditors for obtaining their approval sanctioning the reduction of the securities premium account of Transferor Company 1; or (ii) obtain any additional approvals / compliances under section 66 and section 52 of the Act.
- 17.4. The reduction of security premium and consequential reduction in capital of Transferor Company 1, as above, does not involve any diminution of liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form. For the sake of completeness, it is clarified that the rights/ interests of the shareholders shall remain unaltered.
- 17.5. Transferor Company 1 shall not be required to add the words “and reduced” as a suffix to its name consequent upon the reduction of capital under this Part.
- 17.6. The reduction of securities premium under Clause 17 of this Part III of the Scheme is an “arrangement” between Transferor Company 1 and its shareholders under Section 230 of the Act and does not envisage the transfer or vesting of any properties and/or liabilities as contemplated in Sections 230 to 232 and other applicable provisions of the Act. The reduction of securities premium under Clause 17 of this Part III of the Scheme does not involve any “conveyance” or “transfer” of any property/ liabilities and does not relate to amalgamation or merger or demerger of companies in terms of Sections 230 to 232 of the Act, and accordingly this Scheme



and the order sanctioning this Scheme shall not be deemed to be a conveyance within the meaning of the Gujarat Stamp Act, 1958, and therefore no stamp duty shall be payable in respect of reduction of securities premium under Clause 17 of this Part III of the Scheme.

18. RECLASSIFICATION OF GENERAL RESERVES OF TRANSFEROR COMPANY 1:

- 18.1. Upon the Scheme becoming effective and on and with effect from the Amalgamation Appointed Date, and post giving effect to Clause 17 above, the amounts standing to the credit of General Reserve shall be reclassified, transferred to and shall form part of the Retained Earnings of Transferor Company 1 for the previous financial years, arrived at after providing for depreciation in accordance with the provisions of the Act and remaining undistributed in the manner provided in the Act and other Applicable Laws.
- 18.2. Pursuant to the Scheme, there is no outflow of/ payout of funds by Transferor Company 1 and hence, the interest of the creditors is not adversely affected. For the removal of doubts, it is expressly recorded and clarified that the Scheme shall not in any manner involve distribution of capital or capital reserves.
- 18.3. It is clarified that transfer of amounts standing to the credit of General Reserve to the Retained Earnings of Transferor Company 1 in the manner stated in this Scheme, should not entail, or should not be deemed as any obligation of Transferor Company 1 for declaration or distribution of any dividend for the purpose of Section 123 of the Act, and the provisions of the said section and rules notified thereunder shall not be applicable.
- 18.4. All actions taken by Transferor Company 1 pursuant to and in accordance with this Scheme shall be deemed to have not breached any terms and conditions or any other provisions of the Applicable Law.
- 18.5. Notwithstanding anything to the contrary in any other instrument, deed or writing or otherwise, upon the Scheme becoming effective, all the provisions and terms and conditions of the Scheme shall be binding upon the shareholders of Transferor Company 1 and all other persons concerned.



18.6. For the removal of doubts, it is expressly recorded and clarified that the transfer of amounts standing to the credit of General Reserve, shall not in any manner involve distribution or repayment of any capital or capital reserve of Transferor Company 1.

18.7. The reclassification of general reserve under Clause 18 of this Part III of the Scheme is an “arrangement” between Transferor Company 1 and its shareholders under Section 230 of the Act and does not envisage the transfer or vesting of any properties and/or liabilities as contemplated in Sections 230 to 232 and other applicable provisions of the Act. The reclassification of general reserve under Clause 18 of this Part III of the Scheme does not involve any “conveyance” or “transfer” of any property/ liabilities and does not relate to amalgamation or merger or demerger of companies in terms of Sections 230 to 232 of the Act, and accordingly this Scheme and the order sanctioning this Scheme shall not be deemed to be a conveyance within the meaning of the Gujarat Stamp Act, 1958, and therefore no stamp duty shall be payable in respect of reclassification of general reserve under Clause 18 of this Part III of the Scheme.

19. ACCOUNTING TREATMENT OF REDUCTION AND REORGANISATION OF CAPITAL AND RECLASSIFICATION OF GENERAL RESERVE IN THE BOOKS OF TRANSFEROR COMPANY 1:

19.1. Notwithstanding anything else contained in the Scheme, on Scheme being effective, with effect from Amalgamation Appointed Date, Transferor Company 1 shall account for reduction and reorganisation of capital in accordance with Indian Accounting Standards notified under Section 133 of the Act, under Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time and other accounting principles generally accepted in India, in its books of account such that:

19.1.1. The accumulated losses / negative balance of Retained Earnings as on Amalgamation Appointed Date shall be adjusted against credit balance of Securities Premium.

19.1.2. Entire credit balance appearing in General Reserve as on Amalgamation Appointed Date shall be transferred to the credit balance of Retained Earnings.



PART – IV
AMALGAMATION OF THE TRANSFEROR COMPANY 2
WITH TRANSFEREE COMPANY

20. TRANSFER AND VESTING OF THE UNDERTAKING OF TRANSFEROR COMPANY 2 WITH AND INTO THE TRANSFEREE COMPANY

- 20.1. Upon the Scheme becoming effective, on and from the Amalgamation Appointed Date and subject to the provisions of the Scheme, the entire Undertaking of the Transferor Company 2 shall, pursuant to the sanction of the Scheme by the MCA and pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act, be and stand transferred to and vested in and/or deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, deed, instrument, matter so as to become, as and from the Amalgamation Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.
- 20.2. All the movable assets of the Transferor Company 2 and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery, shall be so transferred to the Transferee Company and deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, without the need to execute any separate instrument, to the Transferee Company to the end and intent that the property and benefit therein passes to the Transferee Company with effect from the Amalgamation Appointed Date. Such delivery shall be made on a date which shall be mutually agreed upon between the Transferor Company 2 and the Transferee Company on or after the Effective Date.
- 20.3. Upon this Scheme becoming effective, the secured creditors, if any, of the Transferor Company 2 and/or other holders of security over the properties of the Transferor Company 2, if any shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Transferor Company 2, as existing immediately prior to the amalgamation of the Transferor Company 2 with the Transferee Company and the secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company, if any, shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Transferee Company, as existing immediately prior to the amalgamation of the Transferor Company 2 with the Transferee Company. It is hereby clarified that pursuant to the amalgamation of the Transferor Company 2 with the Transferee Company, (a) the secured creditors of the Transferor Company



2 and/or other holders of security over the properties of the Transferor Company 2 shall not be entitled to any additional security over the properties, assets, rights, benefits and interest of the Transferee Company and therefore, such assets of the Transferor Company 2 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 (b) the secured creditors of the Transferee Company and/or other 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 interest of the Transferor Company 2 and therefore, such assets 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.

- 20.4. Upon the Scheme coming into effect and with effect from the Amalgamation Appointed Date, all immovable property (including but not limited to freehold and leasehold properties, and any work-in-progress) of the Transferor Company 2, and any document of title, rights, interest and easements in relation thereto shall stand transferred to and be vested in the Transferee Company, as a successor of the Transferor Company 2, without any act or deed to be done or executed by the Transferor Company 2 and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay appropriate rent, rates, taxes and charges and fulfil all obligations, in relation to or applicable to all such immovable properties. The mutation and/or substitution of the title to the immovable properties shall be made and duly recorded in the name of the Transferee Company by the Appropriate Authorities and third parties pursuant to the sanction of the Scheme by the MCA and upon the Scheme becoming effective in accordance with the terms hereof without any further act or deed to be done or executed by the Transferor Company 2 and/or the Transferee Company.
- 20.5. Upon the Scheme coming into effect and with effect from the Amalgamation Appointed Date, in respect of any assets of the Transferor Company 2 other than those mentioned in Clause 20.1 to 20.4 above, including actionable claims, sundry debtors, outstanding loans and advances, if any, shares and securities held in other companies, all kind of banking accounts including but not limited to current and saving accounts, term deposits, recoverable in cash or kind or for value to be received and deposits, if any, with any person including any Appropriate Authority, semi-Government, local and other authorities and bodies and customers, shall, without any further act, instrument or deed, be and stand transferred to and vested



in the Transferee Company and/or be deemed to have been transferred to and vested in the Transferee Company. The Transferee Company shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard.

- 20.6. Upon coming into effect of the Scheme and with effect from the Amalgamation Appointed Date, all liabilities, duties and obligations of the Transferor Company 2, as on or after the Amalgamation Appointed Date whether provided for or not in the books of accounts of the Transferor Company 2, and all other liabilities which may accrue or arise after the Amalgamation Appointed Date but which relate to the period on or up to the day of the Amalgamation Appointed Date shall, pursuant to the MCA Order or such other Appropriate Authority as may be applicable under the provisions of the Act, without any further act or deed, be transferred or deemed to be transferred to and vested in the Transferee Company, so as to become as from the Amalgamation Appointed Date the liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company 2.
- 20.7. Without prejudice to the above provisions, upon the Scheme coming into effect and with effect from the Amalgamation Appointed Date, all inter-party transactions between the Transferor Company 2 and the Transferee Company shall be considered as intra-party transactions for all purposes and shall stand cancelled. For the avoidance of doubt, it is clarified that upon the Scheme coming into effect and with effect from the Amalgamation Appointed Date, to the extent there are inter-corporate loans, deposits, obligations, balances or other outstanding inter-se between the Transferor Company 2 and the Transferee Company, the rights and obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be.
- 20.8. Without prejudice to the above provisions, upon the Scheme coming into effect and with effect from the Amalgamation Appointed Date, all inter-se contracts solely between the Transferor Company 2 and the Transferee Company shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Transferee Company. With effect from the Amalgamation Appointed Date, 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 Transferor Company 2 and the Transferee Company. For avoidance of doubt, it is hereby clarified that with effect from the Amalgamation Appointed Date, there will be no accrual of interest or other charges in respect of any inter se loans, deposits or balances between the Transferor Company 2 and the Transferee Company.

- 20.9. Upon coming into effect of the Scheme, all taxes (including but not limited to income tax, sales tax, excise duty, custom duty, cess, service tax, VAT, GST) paid or payable by the Transferor Company 2 in respect of their operations and/or the profits of businesses, on account of the Transferor Company 2 and, in so far as it relates to tax payment whether by way of deduction or collection at source, advance tax or otherwise whatsoever, by the Transferor Company 2 in respect of the operations and/or the profits of the business after the Amalgamation Appointed Date shall be deemed to be the corresponding taxes paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.
- 20.10. Upon coming into effect of the Scheme, all the profits or income, taxes (including any carry forward accumulated losses, unabsorbed depreciation, advance tax, tax deducted or collected at source, foreign tax credit and MAT credit, GST credit as per applicable tax laws) or any costs, charges, expenditure accruing or arising to the Transferor Company 2 or expenditure or losses arising or incurred or suffered by the Transferor Company 2 shall for all purposes be treated and deemed to be treated and accrued from the Amalgamation Appointed Date as the profits or income, taxes (including any carry forward of accumulated tax losses, unabsorbed depreciation, advance tax, tax deducted or collected at source, foreign tax credit, MAT credit in terms of applicable tax laws), costs, charges, expenditure or losses of the Transferee Company, as the case may be.
- 20.11. For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon coming into effect of this Scheme and with effect from the Amalgamation Appointed Date, in accordance with the provisions of relevant Laws, consents, approvals, permissions, all licenses, approvals, registrations, certificates, grants, subsidies, concessions, authorities (including for the operation of bank accounts and demat accounts), powers of attorneys given by, issued to or executed in favour of the Transferor Company 2, and the rights and benefits and liabilities under the same shall, in so far as they relate to the Transferor Company 2 and all quality certifications and approvals, permits, quotas, rights, entitlements, tenancies, immovable properties, patents and domain names, copyrights, brands, logo, vendor registrations, customers information & contracts, trade secrets,



product registrations and other intellectual and industrial property and all other interests relating to the goods or services being dealt with by the Transferor Company 2, shall without any further act or deed be transferred to and vested in the Transferee Company under the same terms and conditions as were applicable to the Transferor Company 2 immediately prior to the coming into effect of this Scheme. In so far as the various incentives, sales tax, deferral benefits, subsidies (including applications for subsidies), available tax credits (including MAT credit, GST credit etc.), rehabilitation schemes, grants, permissions, approvals, sanctions, remissions, special reservations, income tax benefits and exemptions, all tax holiday, including its continued benefits, incentives, exemptions, concessions and other benefits or privileges, concessions, special status and other benefits or privileges enjoyed, granted by any person (including any Appropriate Authority), or availed of or to be availed of by the Transferor Company 2 is concerned, the same shall, without any further act or deed, in so far as they relate to the Transferor Company 2, vest with and be available to the Transferee Company on the same terms and conditions as were applicable immediately prior to the coming into effect of this Scheme. The Transferee Company may apply for the necessary endorsement from the Appropriate Authorities as may be required under Applicable Law and shall file the relevant intimations, if any, for the record of the Appropriate Authorities who shall take them on file, pursuant to the Scheme coming into effect.

- 20.12. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of the Scheme; (ii) uninterrupted transfer of the relevant consents, approvals, patents, permissions, licenses, registrations, certificates etc.; and (iii) continued vesting of the benefits, exemptions available to the Transferor Company 2 in favour of the Transferee Company, the Board of Directors of the Transferee Company shall be deemed to have been authorized to execute or enter into necessary documentations with any regulatory authorities or third parties and take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement, if applicable and the same shall be considered as giving effect to the MCA Order and shall be considered as an integral part of this Scheme. Further, the Transferee Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable, on behalf of the Transferor Company 2 and to carry out or perform all such formalities or compliance required for the purpose of implementation of the provisions of the Scheme.



20.13. On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts, demat accounts, if any, of the Transferor Company 2 and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Transferor Company 2 in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company 2 to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.

20.14. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that with effect from the Effective Date and till such time the name of the bank accounts of the Transferor Company 2 would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company 2 in the name of the Transferor Company 2 in so far as may be necessary. All cheques and other negotiable instruments, deposit slips, payment orders received or presented for encashment which are in the name of the Transferor Company 2 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 2 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 2. It is hereby expressly clarified that any legal proceedings by or against the Transferor Company 2 in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company 2 shall be instituted, or as the case may be, continued, by or against, the Transferee Company after the coming into effect of the Scheme.

20.15. All electricity connections sanctioned by various public sector and private companies, boards, agencies and authorities to the Transferor Company 2, together with security deposits and all other advances paid, shall stand automatically transferred and vested in favour of the Transferee Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The relevant electricity companies, boards, agencies and authorities shall issue invoices in the name of the Transferee Company with effect from the billing cycle commencing from the month immediately succeeding the month in which an intimation of the MCA's approval of this



Scheme is filed by the Transferee Company with them. The Transferee Company and the relevant electricity companies, boards, agencies and authorities shall continue to comply with the terms, conditions and covenants associated with the grant of such connection. Without limiting the generality of the foregoing, the Transferee Company shall also be entitled to refund of security deposits paid to or placed with such electricity companies, boards, agencies, Municipal Corporation, statutory and other authorities by the Transferor Company 2.

LIABILITIES, DEBTS. OBLIGATIONS & SECURITY

- 20.16. With effect from the Amalgamation Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description relating to the Transferor Company 2 shall, under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company, so as to become, with effect from the Amalgamation Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.
- 20.17. Where any of the liabilities and obligations/assets attributed to the Transferor Company 2 on the Amalgamation Appointed Date have been discharged/ sold by the Transferor Company 2 after the Amalgamation Appointed Date and prior to the Effective Date, such discharge/sale shall be deemed to have been for and on behalf of the Transferee Company.
- 20.18. Any payment or discharge of any liabilities, debts or obligations pertaining to the Transferor Company 2 by the Transferee Company shall be deemed to have been made for and on behalf of the Transferor Company 2 and shall constitute a valid discharge.
- 20.19. This Scheme shall not operate to enlarge or extend the security for any of the liabilities of the Transferor Company 2 and the Transferee Company shall not be obliged to create any further or additional security therefor, after the Effective Date, unless otherwise agreed to by the Transferee Company,



20.20. In so far as the existing security in respect of the liabilities is concerned, such security shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets forming part of the Undertakings of the Transferor Company 2 which have been charged and secured, and subsisting as on the Effective Date, in respect of the liabilities. Provided that if any of the assets of the Transferor Company 2 have not been charged or secured in respect of the liabilities, such assets shall remain unencumbered, and the existing security referred to above shall not be extended to and shall not operate over such assets.

21. CONSEQUENTIAL TAX MATTERS

21.1. Upon the Scheme becoming effective, the Transferor Company 2 and the Transferee Company shall have the right to reopen their Books of Accounts and revise their tax returns viz. income tax, withholding tax and any other statutory returns and filings under the tax laws, along with prescribed forms, filings and annexures under the IT Act (even in a case where the due date to revise the income tax returns have expired under the provisions of the IT Act), and laws in relation to the GST, central sales tax, applicable State VAT, entry tax, service tax, excise duty and other tax laws, and to claim refunds and/or credit for taxes paid (including advance tax, self-assessment tax, tax deducted or collected at source, MAT, foreign tax credit, dividend distribution tax, wealth tax, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme.

21.2. All tax assessment/ adjudication proceedings/ appeals of whatsoever nature by or against the Transferor Company 2 pending and/or arising at the Amalgamation Appointed Date and relating to the Transferor Company 2 shall be continued and/or enforced until the Effective Date by the Transferor Company 2. 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 2. Accordingly, it is expressly clarified that, after the Effective Date, any income tax notice including but not limited to Intimation, order, letter relating to any matter of IT Act, assessment, or any other communication related to income-tax proceedings with respect to the Transferor Company 2 for any period prior to the Effective Date shall be issued in the name of and be the responsibility of the Transferee Company. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the



amalgamation of the Transferor Company 2 with the Transferee Company or anything contained in the Scheme.

- 21.3. Any refund, under the IT Act and laws in relation to service tax, excise duty, central sales tax, applicable state VAT, entry tax, customs, foreign trade policy, GST, State industrial and incentive policies and schemes or other Applicable Laws or regulations dealing with taxes or duties or levies due to Transferor Company 2 consequent to the assessment made on Transferor Company 2 (including any refund for which no credit is taken in the accounts of the Transferor Company) as on the date immediately preceding the Amalgamation Appointed Date shall also belong to and be received by the Transferee Company upon this Scheme becoming effective.
- 21.4. The tax payments (including, without limitation income tax, dividend distribution tax, service tax, excise duty, central sales tax, applicable state VAT, entry tax, customs, GST etc.) whether by way of tax deducted or collected at source, advance tax or otherwise howsoever, by the Transferor Company 2 after the Amalgamation Appointed Date, shall be deemed to be paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 21.5. Further, any tax deducted or collected at source by Transferor Company 2 or the Transferee Company on transactions with the Transferee Company or the Transferor Company 2, if any (from Amalgamation Appointed Date to Effective Date) shall be deemed to be advance tax / advance tax deducted or collected at source paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 21.6. Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company 2 shall be made or deemed to have been made and duly complied with by the Transferee Company.
- 21.7. For the period after the Amalgamation Appointed Date, all its continued benefits, incentives, exemptions, concessions and other benefits or privileges enjoyed by the Transferor Company 2 granted by any government body, regulatory authority, local authority, by any other person or law or availed of by the Transferor Company 2, the same shall without any other further act or deed shall vest with and be available to the Transferee Company on the same terms and conditions.



- 21.8. Without prejudice to the generality of the above, all benefits, incentives, losses (including but not limited to book losses and tax losses), unabsorbed depreciation (book unabsorbed depreciation and tax unabsorbed depreciation), credits (including, without limitation income tax, MAT, tax deducted or collected at source, foreign tax credit, dividend distribution tax, wealth tax, service tax, excise duty, central sales tax, applicable state VAT, GST, customs duty, foreign trade policy benefits, State industrial policy and incentive schemes, drawback, etc.) to which the Transferor Company 2 is entitled to, shall be available to and vest in the Transferee Company, in terms of Applicable Laws, upon this Scheme coming into effect.
- 21.9. Upon the coming into effect of this scheme, all tax compliances under any Tax Laws by the Transferor Company on or after Appointed Date shall be deemed to be made by the Transferee Company.
- 21.10. All the deductions otherwise admissible to the Transferor Company 2, including payment admissible on actual payment basis or on deduction of appropriate Taxes or on payment of TCS or TDS (such as Section 43B, Section 40, Section 40A etc. of the IT Act) will be eligible for deduction to the Transferee Company, upon fulfilment of conditions, if any, required under the IT Act.

22. LEGAL PROCEEDINGS

- 22.1. It is clarified that any and all undertakings, declarations or the like statements submitted by the Transferor Company 2 before any courts, tribunal or the like judicial authority shall continue to be valid and binding upon the Transferee Company. Upon the Scheme becoming effective, the Transferee Company shall take all steps necessary to substitute its name in place of the name of the Transferor Company 2 in all pending litigations by or against the Transferor Company 2. If any Legal Proceedings by or against the Transferor Company 2 are pending on the Effective Date, the same shall not abate / be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company 2 with the Transferee Company or anything contained in the Scheme, but on and from the Effective Date, the Legal Proceedings may be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Company 2, in the absence of the Scheme.
- 22.2. It is clarified that until this Scheme comes into effect, the Transferor Company 2 shall in consultation with the Transferee Company continue and enforce the Legal



Proceedings whether pending or initiated pending the coming into effect of this Scheme.

23. CONTRACTS, DEEDS, BONDS, APPROVALS AND OTHER INSTRUMENTS

23.1. For avoidance of doubt and without prejudice to the generality of Clause 20 and 22 above, it is clarified that upon coming into effect of this Scheme and with effect from the Amalgamation Appointed Date and without any further act of the Transferor Company 2 and the Transferee Company, all memoranda of understanding, contracts, no objection certificates, rights, consents, permissions, quotas, deeds, bonds, agreements, arrangements, mortgages, indemnity, incentives, engagements, registrations, schemes, assurances, licenses, insurance policies and claims, business claims, guarantees, powers of attorney, authorities given by, issued to or executed in favour of the Transferor Company 2, quality certifications and approvals, trademarks, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other intellectual property and other interests relating to the Undertaking and other instruments (including all tenancies, leases), and other assurances in favour of the Transferor Company 2 or powers or authorities granted by or to it) of whatsoever nature to which the Transferor Company 2 is a party or to the benefit of which the Transferor Company 2 may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be transferred to and vested in the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the rights and benefits under the same shall be available to the Transferee Company and, shall continue in full force and effect against or in favour of the Transferee Company as the case may be, under the same terms and conditions, and may be enforced as fully and effectually as if, instead of the Transferor Company 2, the Transferee Company had been a party or beneficiary or obligee or obligor thereto.

23.2. It is hereby clarified that by virtue of the provisions of the Scheme and pursuant to the MCA Order sanctioning the Scheme, upon the Scheme coming into effect, all rights, services, obligations, liabilities, responsibilities undertaken by or in favour of the Transferor Company 2 under any contractual arrangements shall automatically stand transferred to and vested in and/or shall be deemed to have been transferred to and vested in the Transferee Company and all benefits to which the Transferor Company 2 is entitled to shall be available to and vested in and/or shall be deemed to have been available to and vested in the Transferee Company, as a successor-in-



interest and the Transferee Company shall be entitled to deal with the same instead of the Transferor Company 2, as if the same were originally performed or conferred upon or given or issued to or executed in favour of the Transferee Company, and the rights and benefits under the same will be available to the Transferee Company, without any further act or deed. The Transferee Company shall discharge its obligation in respect of the services to be performed/ provided or in respect of payment of service charges under any contractual arrangements instead of the Transferor Company 2.

- 23.3. Without prejudice to the above, the Transferee Company shall, if so desirable or required or as may be necessary, upon the coming into effect of this Scheme and with effect from the Amalgamation Appointed Date, issue writings, confirmations, deeds, undertaking or other documents to the extent that the Transferor Company 2 is required prior to the Effective Date to issue such writings, confirmations, deeds, undertaking or other documents, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company 2, as the case may be. Further, the Transferee Company shall be deemed to be authorized to issue any such writings, confirmations, deeds, undertaking or other documents on behalf of the Transferor Company 2 and to implement or carry out all formalities required on the part of the Transferor Company 2.
- 23.4. Without prejudice to the above, it is further clarified that with respect to approvals, permissions, licenses, registrations, consents that may require amendment for the purpose of giving effect to this Scheme and to ensure that there is no change in the entitlements otherwise available to the Transferor Company 2 in the absence of this Scheme, the Transferee Company shall be permitted to use the name and approvals, permissions, licenses, registrations, consents of the Transferor Company 2 till such approvals, permissions, licenses, registrations, consents are so amended and updated, so as to enable the Transferee Company to continue to avail the entitlements otherwise available to the Transferor Company 2.
- 23.5. Without prejudice to the generality of the foregoing, all leave and licence agreements/deeds, lease agreements/deeds, bank guarantees, performance guarantees and letters of credit, agreements with any government entity, department, commission, board, agency, bureau or official, hire purchase agreements, lending agreements and such other agreements, deeds, documents and arrangements pertaining to the business of the Transferor Company 2 or to the benefit of which the Transferor Company 2 may be eligible and which are subsisting or having effect immediately before the Effective Date, including all



rights and benefits (including benefits of any deposit, advances, receivables or claims) arising or accruing therefrom, shall, with effect from Amalgamation Appointed Date and upon this Scheme becoming effective, by operation of law pursuant to the vesting order of the MCA, be deemed to be contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses of the Transferee Company.

24. SAVING OF CONCLUDED TRANSACTIONS

24.1. The transfer of the assets and liabilities of the Transferor Company 2 under Clause 20 above, the continuance of Legal Proceedings under Clause 22 above and the effectiveness of contracts, deeds, bonds, approvals and other instruments under Clause 23 above, shall not affect any transaction or Legal Proceedings already concluded by the Transferor Company 2 on or before 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 2 in respect thereto, as if done and executed on its behalf.

25. EMPLOYEES

25.1. Upon the coming into effect of this Scheme, all the employees of Transferor Company 2, if any, who are in service on the date immediately preceding the date on which the Scheme finally takes effect (i.e. the Effective Date), on and from the Effective Date, shall become the employees of the Transferee Company without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions than those on which they are engaged by the Transferor Company 2 immediately preceding the Effective Date.

25.2. Transferee Company agrees that the service of all employees of the Transferor Company 2 immediately prior to the coming into effect of this Scheme shall be taken into account from the date of their respective appointment with the Transferor Company 2 for the purposes of all retirement benefits to which they may be eligible in Transferee Company immediately prior to the coming into effect of this Scheme. Transferee Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with Transferor Company 2, shall also be taken into account and agrees and undertakes to pay the same as and when payable.



25.3. Upon the coming into effect of this Scheme, the Transferee Company shall make all the necessary contributions for such transferred employees and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. Transferee Company will also file relevant intimations to the Appropriate Authorities concerned who shall take the same on record and substitute the name of the Transferee Company in place of the Transferor Company 2.

25.4. In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by Transferor Company 2 for employees, shall be transferred to the necessary funds, schemes or trusts of Transferee Company and till the time such necessary funds, schemes or trusts are transferred , all contributions shall continue to be made to the existing funds, schemes or trusts of the Transferor Company 2 by the Transferee Company and the relevant employees.

26. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

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

26.1.1. The Transferor Company 2 shall be deemed to have been carrying on and shall carry on its businesses and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the assets of the Transferor Company 2 for and on account of, and in trust for, the Transferee Company. The Transferor Company 2 hereby undertakes to hold the said assets with utmost prudence until the Effective Date. By way of abundant caution, it is clarified that, till the time Scheme becomes effective, the Transferor Company 2 shall carry on its businesses and activities in the normal course of business as per existing practice without any interference from the Transferee Company.

26.1.2. All the profits or income, taxes (including any carry forward accumulated losses, unabsorbed depreciation, advance tax, tax deducted or collected at source, foreign tax credit and MAT credit) or any costs, charges, expenditure accruing to the Transferor Company 2 or expenditure or losses arising or incurred or suffered by the Transferor Company 2 shall



for all purpose be treated and be deemed to be and accrue as the profits, taxes, incomes, costs, charges, expenditure or losses of the Transferee Company, as the case may be, and will be available to the Transferee Company for being disposed of in any manner as it thinks fit, post the Effective Date.

26.2. With effect from the date of the Board of Directors of the Transferee Company approving the Scheme and up to and including the Effective Date:

26.2.1. The Transferor Company 2 shall carry on its businesses and activities with reasonable diligence, business prudence and shall not, without the prior written consent of the Transferee Company, venture into new businesses, invest in shares, alienate, charge, mortgage, encumber or otherwise deal with or dispose of the undertaking or any part thereof, except in the ordinary course of business.

26.2.2. The Transferor Company 2 shall not without prior written consent of the Transferee Company undertake any new business.

26.2.3. The Transferor Company 2 shall not take any major policy decisions in respect of its management and for its business and shall not change its present capital structure without the prior written consent of the Transferee Company.

27. CANCELLATION OF SHARES AND REDUCTION OF SHARE CAPITAL:

27.1. Upon coming into effect of this Scheme and with effect from Amalgamation Appointed Date, the equity shares held by the Transferee Company (including pursuant to coming into effect of Part III of the Scheme) and Transferor Company 2 in each other shall stand automatically cancelled with effect from the Effective Date without any further application, act or deed and no new shares in form of consideration shall be issued against the same.

27.2. Upon the Scheme becoming effective, the issued, subscribed and paid-up share capital of Transferee Company, to the extent of the shares held by Transferor Company 2 in Transferee Company, shall be automatically cancelled and reduced in terms of section 66 of the Act.



27.3. The said cancellation shall be deemed to result in reduction of capital under section 66 of the Act. However, since the aforesaid reduction is consequential and is proposed as an integral part of the Scheme, the Transferee Company shall not be required to undertake separate procedure under section 66 of the Act. Further, as the aforesaid reduction does not result in either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital, the provisions of section 66 of the Act shall not be Applicable. The order of MCA sanctioning the Scheme shall be deemed to be the Order under section 66 of the Act for the purpose of confirming reduction. Further, the Transferee Company shall not be required to add “and reduced” as a suffix to its name consequent upon such reduction.

28. CONSIDERATION

28.1. The Transferee Company shall without any further application, act, instrument or deed, issue and allot to each shareholder of the Transferor Company 2 whose name is recorded in the register of members of the Transferor Company on the Record Date 2, subject to clause 27 hereinabove, in the following Ratio (“**T2 Share Exchange Ratio**”):

“10 (ten) fully paid-up equity shares of INR 2 (INR Two only) each of the Transferee Company for every 13 (thirteen) fully paid equity share of INR 10 (INR Ten only) held by such shareholders in the Transferor Company 2”

28.2. The T2 Share Exchange Ratio has been arrived at on basis of the joint valuation report prepared by Ernst & Young Merchant Banking Services LLP (IBBI registration number IBBI/RV-E/05/2021/155) and SSPA & Co., Chartered Accountants (IBBI registration number IBBI/RV-E/06/2020/126), being the Registered Valuers. A fairness opinion for the same has been obtained from Saffron Capital Advisors Private Limited as well as Fortress Capital Management Services Private Limited both being SEBI registered Category – I Merchant Bankers. The said Valuation Report and the Fairness Opinions have been duly considered by the Board of Directors of the Transferee Company and the Transferor Company 2.

28.3. The shares to be issued and allotted by the Transferee Company in terms of Clause 28.1 above 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 with the existing shares of Transferee Company.



- 28.4. No fractional certificate(s) shall be issued by the Transferee Company in respect of any fractions which the equity shareholders of Transferor Company 2 may be entitled to on issue and allotment of new equity shares pursuant to the Scheme. The Board of Directors of the Transferee Company shall instead, consolidate all such fractional entitlements and allot new equity shares in lieu thereof to a trust as the Board of Directors of Transferee Company shall appoint in this regard who shall hold the new equity shares in trust on behalf of the equity shareholders entitled to such fractional entitlements with express understanding that such trust shall sell such shares in the market at such price, within a period of 90 (ninety) days from the date of allotment of shares, and arrange for the net sale proceeds, after applicable deductions, to the equity shareholders entitled in proportion to their respective fractional entitlements. In case the number of such new shares to be allotted to the said trust by virtue of consolidation of fractional entitlements is a fraction, one additional equity share will be issued in the Transferee Company, subject to Applicable Laws. The equity shares that are to be issued in terms of this Scheme shall be issued in dematerialised form.
- 28.5. As mandated under the regulations framed by SEBI in this regard, the Transferee Company will issue shares pursuant to the Scheme only in electronic form and to the demat account of the respective shareholders. In the event of any shareholder failing to communicate their demat account details to the Transferee Company before the Record Date 2, the shares issued by the Transferee Company will be kept in a suspense account and will be credited to the demat account(s) of the respective shareholders, as and when such details are received.
- 28.6. The issue and allotment of shares by the Transferee Company to the equity shareholders of the Transferor Company 2 as provided in this Scheme as an integral part thereof, shall be deemed to have been carried out without any further act or deed by Transferee Company as if the procedure laid down under Section 62(1)(c) of the Act and any other applicable provisions were duly complied with.
- 28.7. The equity shares issued by the Transferee Company shall be listed and admitted to trading on the Stock Exchanges i.e. NSE and BSE, pursuant to this Scheme and in compliance with the applicable regulations and the applicable SEBI circulars. The Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of applicable SEBI circulars and other applicable provisions of Law and take all steps to procure the listing of the equity shares issued by it.



28.8. The equity shares issued by the Transferee Company pursuant to this Part of the Scheme shall remain frozen in the depository system till listing/ trading permission is granted by the Stock Exchanges i.e., BSE and NSE.

28.9. If there are any pending transfers, whether lodged or outstanding, of any shareholders of the Transferor Company 2, the Board of Directors of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date 2, to effectuate such a transfer in the records of the Transferor Company 2, as if such changes in the registered holder were operative as on the Record Date 2, in order to remove any difficulties arising to the holder/ transferee of the shares in the Transferor Company 2 and in relation to the equity shares to be issued by the Transferee Company after this Scheme becoming effective.

28.10. The shares to be issued and allotted by the Transferee Company to the shareholders of the Transferor Company 2 shall be issued in dematerialized form.

29. ACCOUNTING TREATMENT

ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEROR COMPANY 2

29.1. As the Transferor Company 2 shall stand dissolved without being wound-up upon the Scheme becoming effective, hence there is no accounting treatment prescribed under the Scheme in the Books of Transferor Company 2.

ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEEE COMPANY

29.2. Notwithstanding anything else contained in the Scheme, upon the Scheme coming into effect and with effect from the Amalgamation Appointed Date, the Transferee Company shall account for the amalgamation of the Transferor Company 2 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:



- 29.2.1. All the assets, liabilities and reserves in the books of the Transferor Company 2 shall stand transferred to and vested in the Transferee Company pursuant to this Scheme and shall be recorded by the Transferee Company at their respective carrying amounts as appearing in the books of the Transferor Company 2.
- 29.2.2. The identity of the reserves pertaining to the Transferor Company 2, shall be preserved and they shall be recorded in the financial statements of the Transferee Company in the same form in which they appeared in the books of the Transferor Company 2, and it shall be aggregated with the corresponding balance appearing in the books of the Transferee Company.
- 29.2.3. All the inter-company balances between the Transferee Company and Transferor Company 2, appearing in the books of the Transferee Company shall stand cancelled and there shall be no further obligation in that behalf.
- 29.2.4. The value of the investments held by the Transferor Company 2 in the Transferee Company shall stand cancelled against the share capital of Transferee Company pursuant to amalgamation.
- 29.2.5. The value of the investments held by the Transferee Company in Transferor Company 2 along with fair value gain or loss recorded in other comprehensive income, if any, shall stand cancelled pursuant to amalgamation.
- 29.2.6. The Transferee Company shall credit to its share capital account the aggregate face value of the equity shares issued by it pursuant to the Scheme.
- 29.2.7. The surplus/deficit, if any arising after taking the effect of Clause 29.2.1, Clause 29.2.2, Clause 29.2.4, 29.2.5 and 29.2.6 after giving the effect of adjustments referred to in Clause 29.2.3, shall be transferred to Capital Reserve / Amalgamation Adjustment Reserve in the financial statements of the Transferee Company and the same would be presented separately from other capital reserves with disclosure of its nature and purpose in the notes to the financial statements of the Transferee Company.
- 29.2.8. The comparative financial information presented in the financial statements of the Transferee Company should be restated as if the business combination had occurred from the beginning of the comparative period.



30. VALIDITY OF EXISTING RESOLUTIONS, ETC.

- 30.1. Upon coming into effect of the Scheme and with effect from the Amalgamation Appointed Date, the resolutions of the shareholders and the Board of Directors of Transferor Company 2, including resolutions of any committees authorized by and comprising inter alia of members of the Board of Directors of Transferor Company 2, as are considered necessary by the Board of Directors of Transferee Company and which are validly subsisting, shall be considered as resolutions of Transferee Company.
- 30.2. With effect from the Effective Date, the security creation, borrowing and investment limits of the Transferee Company under the Act shall be deemed, without any further act or deed, to have been enhanced by the security creation, borrowing and investment limits of the Transferor Company 2, such limits being incremental to the existing limits of the Transferee Company.
- 30.3. Any corporate approvals obtained by the Transferor Company 2, whether for purposes of compliance or otherwise, shall stand transferred to the Transferee Company and such corporate approvals and compliance shall be deemed to have been obtained and complied with by the Transferee Company

31. CONSOLIDATION OF AUTHORISED CAPITAL

- 31.1. Upon the effectiveness of this Scheme, the authorised share capital of the Transferor Company 2 shall be merged with that of the Transferee Company and the Transferee Company shall pay additional fees and duties, if any after setting off the fees, if any, paid by the Transferor Company 2. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the Appropriate Authority and no separate procedure or further resolution under Section 61 read with Section 13 of the Act or instrument or deed or payment of any stamp duty and registration fees shall be required to be followed under the Act.
- 31.2. It is clarified that the approval of the shareholders of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the consequential alteration of the Memorandum and Articles of Association of the Transferee Company and the Transferee Company shall not be required to seek separate consent / approval of its shareholders for such alteration of the Memorandum and Articles of Association of the Transferee Company as required under Sections 13, 14, 16, 61, 62 and 64 of the Act and other applicable provisions of the Act.



31.3. The clause V of Memorandum of Association and clause 4 of the Articles of Association (if required) of Transferee Company shall stand amended as under:

“The Authorised share capital of the Company is Rs. 36,35,10,00,000 (Rupees Thirty-Six hundreds Thirty-Five crores Ten Lakh only) divided into 18,17,55,00,000 (Eighteen Hundred Seventeen Crore Fifty-Five Lakh only) Equity shares of Rs.2/- each, 1,70,00,000 (One crore Seventy Lakh only), 7.5% Redeemable Preference Shares of Rs.10/- each and 50,00,000 (Fifty Lakh only) Preference Shares of Rs.10/- each.”

32. DISSOLUTION OF THE TRANSFEROR COMPANY 2

- 32.1. On the Scheme becoming effective, the Transferor Company 2 shall be dissolved without being wound up without any further act by the Transferor Company 2 and the Transferee Company.
- 32.2. On and with effect from the Effective Date, the name of the Transferor Company 2 shall be struck off from the records of the RoC. The Transferee Company shall make all necessary filings in this regard. The Transferee Company shall maintain the books and records of the Transferor Company 2, in terms of provisions of Section 239 of the Act.
- 32.3. Any obligations or steps which need to be undertaken by the Transferor Company 2 pursuant to the sanction of this Scheme shall be fulfilled by the Transferee Company.



PART – V
AMALGAMATION OF THE TRANSFEROR COMPANY 3
WITH TRANSFEREE COMPANY

33. TRANSFER AND VESTING OF THE UNDERTAKING OF TRANSFEROR COMPANY 3 WITH AND INTO THE TRANSFEREE COMPANY

- 33.1. Upon the Scheme becoming effective, on and from the Amalgamation Appointed Date and subject to the provisions of the Scheme, the entire Undertaking of the Transferor Company 3 shall, pursuant to the sanction of the Scheme by the MCA and pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act, be and stand transferred to and vested in and/or deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, deed, instrument, matter so as to become, as and from the Amalgamation Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.
- 33.2. All the movable assets of the Transferor Company 3 and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery, shall be so transferred to the Transferee Company and deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, without the need to execute any separate instrument, to the Transferee Company to the end and intent that the property and benefit therein passes to the Transferee Company with effect from the Amalgamation Appointed Date. Such delivery shall be made on a date which shall be mutually agreed upon between the Transferor Company 3 and the Transferee Company on or after the Effective Date.
- 33.3. Upon this Scheme becoming effective, the secured creditors, if any, of the Transferor Company 3 and/or other holders of security over the properties of the Transferor Company 3, if any shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Transferor Company 3, as existing immediately prior to the amalgamation of the Transferor Company 3 with the Transferee Company and the secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company, if any, shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Transferee Company, as existing immediately prior to the amalgamation of the Transferor Company 3 with the Transferee Company. It is hereby clarified that pursuant to the amalgamation of the Transferor Company 3 with the Transferee Company, (a) the secured creditors of the Transferor Company



3 and/or other holders of security over the properties of the Transferor Company 3 shall not be entitled to any additional security over the properties, assets, rights, benefits and interest of the Transferee Company and therefore, such assets of the Transferor Company 3 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 (b) the secured creditors of the Transferee Company and/or other 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 interest of the Transferor Company 3 and therefore, such assets 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.

33.4. Upon the Scheme coming into effect and with effect from the Amalgamation Appointed Date, all immovable property (including but not limited to freehold and leasehold properties, and any work-in-progress) of the Transferor Company 3, and any document of title, rights, interest and easements in relation thereto shall stand transferred to and be vested in the Transferee Company, as a successor of the Transferor Company 3, without any act or deed to be done or executed by the Transferor Company 3 and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay appropriate rent, rates, taxes and charges and fulfil all obligations, in relation to or applicable to all such immovable properties. The mutation and/or substitution of the title to the immovable properties shall be made and duly recorded in the name of the Transferee Company by the Appropriate Authorities and third parties pursuant to the sanction of the Scheme by the MCA and upon the Scheme becoming effective in accordance with the terms hereof without any further act or deed to be done or executed by the Transferor Company 3 and/or the Transferee Company.

33.5. Upon the Scheme coming into effect and with effect from the Amalgamation Appointed Date, in respect of any assets of the Transferor Company 3 other than those mentioned in Clause 33.1 to 33.4 above, including actionable claims, sundry debtors, shares and securities held in other companies, outstanding loans and advances, if any, all kind of banking accounts including but not limited to current and saving accounts, term deposits, recoverable in cash or kind or for value to be received and deposits, if any, with any person including any Appropriate Authority, semi-Government, local and other authorities and bodies and customers, shall, without any further act, instrument or deed, be and stand transferred to and vested



in the Transferee Company and/or be deemed to have been transferred to and vested in the Transferee Company. The Transferee Company shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard.

- 33.6. Upon coming into effect of the Scheme and with effect from the Amalgamation Appointed Date, all liabilities, duties and obligations of the Transferor Company 3, as on or after the Amalgamation Appointed Date whether provided for or not in the books of accounts of the Transferor Company 3, and all other liabilities which may accrue or arise after the Amalgamation Appointed Date but which relate to the period on or up to the day of the Amalgamation Appointed Date shall, pursuant to the MCA Order or such other Appropriate Authority as may be applicable under the provisions of the Act, without any further act or deed, be transferred or deemed to be transferred to and vested in the Transferee Company, so as to become as from the Amalgamation Appointed Date the liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company 3.
- 33.7. Without prejudice to the above provisions, upon the Scheme coming into effect and with effect from the Amalgamation Appointed Date, all inter-party transactions between the Transferor Company 3 and the Transferee Company shall be considered as intra-party transactions for all purposes and shall stand cancelled. For the avoidance of doubt, it is clarified that upon the Scheme coming into effect and with effect from the Amalgamation Appointed Date, to the extent there are inter-
corporate loans, deposits, obligations, balances or other outstanding inter-se between the Transferor Company 3 and the Transferee Company, the rights and obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be.
- 33.8. Without prejudice to the above provisions, upon the Scheme coming into effect and with effect from the Amalgamation Appointed Date, all inter-se contracts solely between the Transferor Company 3 and the Transferee Company shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Transferee Company. With effect from the Amalgamation Appointed Date, 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 Transferor Company 3 and the Transferee Company. For avoidance of doubt, it is hereby clarified that with effect from the Amalgamation Appointed Date, there will be no accrual of interest or other charges in respect of any inter se loans, deposits or balances between the Transferor Company 3 and the Transferee Company.

- 33.9. Upon coming into effect of the Scheme, all taxes (including but not limited to income tax, sales tax, excise duty, custom duty, cess, service tax, VAT, GST) paid or payable by the Transferor Company 3 in respect of their operations and/or the profits of businesses, on account of the Transferor Company 3 and, in so far as it relates to tax payment whether by way of deduction or collection at source, advance tax or otherwise whatsoever, by the Transferor Company 3 in respect of the operations and/or the profits of the business after the Amalgamation Appointed Date shall be deemed to be the corresponding taxes paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.
- 33.10. Upon coming into effect of the Scheme, all the profits or income, taxes (including any carry forward accumulated losses, unabsorbed depreciation, advance tax, tax deducted or collected at source, foreign tax credit and MAT credit, GST credit as per applicable tax laws) or any costs, charges, expenditure accruing or arising to the Transferor Company 3 or expenditure or losses arising or incurred or suffered by the Transferor Company 3 shall for all purposes be treated and deemed to be treated and accrued from the Amalgamation Appointed Date as the profits or income, taxes (including any carry forward of accumulated tax losses, unabsorbed depreciation, advance tax, tax deducted or collected at source, foreign tax credit, MAT credit in terms of applicable tax laws), costs, charges, expenditure or losses of the Transferee Company, as the case may be.
- 33.11. For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon coming into effect of this Scheme and with effect from the Amalgamation Appointed Date, in accordance with the provisions of relevant Laws, consents, approvals, permissions, all licenses, approvals, registrations, certificates, grants, subsidies, concessions, authorities (including for the operation of bank accounts and demat accounts), powers of attorneys given by, issued to or executed in favour of the Transferor Company 3, and the rights and benefits and liabilities under the same shall, in so far as they relate to the Transferor Company 3 and all quality certifications and approvals, permits, quotas, rights, entitlements, tenancies, immovable properties, patents and domain names, copyrights, brands, logo, vendor registrations, customers information & contracts, trade secrets,



product registrations and other intellectual and industrial property and all other interests relating to the goods or services being dealt with by the Transferor Company 3, shall without any further act or deed be transferred to and vested in the Transferee Company under the same terms and conditions as were applicable to the Transferor Company 3 immediately prior to the coming into effect of this Scheme. In so far as the various incentives, sales tax, deferral benefits, subsidies (including applications for subsidies), available tax credits (including MAT credit, GST credit if any), rehabilitation schemes, grants, permissions, approvals, sanctions, remissions, special reservations, income tax benefits and exemptions, all tax holiday, including its continued benefits, incentives, exemptions, concessions and other benefits or privileges, concessions, special status and other benefits or privileges enjoyed, granted by any person (including any Appropriate Authority), or availed of or to be availed of by the Transferor Company 3 is concerned, the same shall, without any further act or deed, in so far as they relate to the Transferor Company 3, vest with and be available to the Transferee Company on the same terms and conditions as were applicable immediately prior to the coming into effect of this Scheme. The Transferee Company may apply for the necessary endorsement from the Appropriate Authorities as may be required under Applicable Law and shall file the relevant intimations, if any, for the record of the Appropriate Authorities who shall take them on file, pursuant to the Scheme coming into effect.

- 33.12. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of the Scheme; (ii) uninterrupted transfer of the relevant consents, approvals, patents, permissions, licenses, registrations, certificates etc.; and (iii) continued vesting of the benefits, exemptions available to the Transferor Company 3 in favour of the Transferee Company, the Board of Directors of the Transferee Company shall be deemed to have been authorized to execute or enter into necessary documentations with any regulatory authorities or third parties and take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement, if applicable and the same shall be considered as giving effect to the MCA Order and shall be considered as an integral part of this Scheme. Further, the Transferee Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable, on behalf of the Transferor Company 3 and to carry out or perform all such formalities or compliance required for the purpose of implementation of the provisions of the Scheme.



33.13. On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts, demat accounts, if any, of the Transferor Company 3 and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Transferor Company 3 in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company 3 to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.

33.14. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that with effect from the Effective Date and till such time the name of the bank accounts of the Transferor Company 3 would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company 3 in the name of the Transferor Company 3 in so far as may be necessary. All cheques and other negotiable instruments, deposit slips, payment orders received or presented for encashment which are in the name of the Transferor Company 3 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 3 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 3. It is hereby expressly clarified that any legal proceedings by or against the Transferor Company 3 in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company 3 shall be instituted, or as the case may be, continued, by or against, the Transferee Company after the coming into effect of the Scheme.

33.15. All electricity connections sanctioned by various public sector and private companies, boards, agencies and authorities to the Transferor Company 3, together with security deposits and all other advances paid, shall stand automatically transferred and vested in favour of the Transferee Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The relevant electricity companies, boards, agencies and authorities shall issue invoices in the name of the Transferee Company with effect from the billing cycle commencing from the month immediately succeeding the month in which an intimation of the MCA's approval of this



Scheme is filed by the Transferee Company with them. The Transferee Company and the relevant electricity companies, boards, agencies and authorities shall continue to comply with the terms, conditions and covenants associated with the grant of such connection. Without limiting the generality of the foregoing, the Transferee Company shall also be entitled to refund of security deposits paid to or placed with such electricity companies, boards, agencies, Municipal Corporation, statutory and other authorities by the Transferor Company 3.

LIABILITIES, DEBTS, OBLIGATIONS & SECURITY

- 33.16. With effect from the Amalgamation Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description relating to the Transferor Company 3 shall, under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company, so as to become, with effect from the Amalgamation Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.
- 33.17. Where any of the liabilities and obligations/assets attributed to the Transferor Company 3 on the Amalgamation Appointed Date have been discharged/ sold by the Transferor Company 3 after the Amalgamation Appointed Date and prior to the Effective Date, such discharge/sale shall be deemed to have been for and on behalf of the Transferee Company.
- 33.18. Any payment or discharge of any liabilities, debts or obligations pertaining to the Transferor Company 3 by the Transferee Company shall be deemed to have been made for and on behalf of the Transferor Company 3 and shall constitute a valid discharge.
- 33.19. This Scheme shall not operate to enlarge or extend the security for any of the liabilities of the Transferor Company 3 and the Transferee Company shall not be obliged to create any further or additional security therefor, after the Effective Date, unless otherwise agreed to by the Transferee Company,



33.20. In so far as the existing security in respect of the liabilities is concerned, such security shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets forming part of the Undertakings of the Transferor Company 3 which have been charged and secured, and subsisting as on the Effective Date, in respect of the liabilities. Provided that if any of the assets of the Transferor Company 3 have not been charged or secured in respect of the liabilities, such assets shall remain unencumbered, and the existing security referred to above shall not be extended to and shall not operate over such assets.

34. CONSEQUENTIAL TAX MATTERS

34.1. Upon the Scheme becoming effective, the Transferor Company 3 and the Transferee Company shall have the right to reopen their Books of Accounts and revise their tax returns viz. income tax, withholding tax and any other statutory returns and filings under the tax laws, along with prescribed forms, filings and annexures under the IT Act (even in a case where the due date to revise the income tax returns have expired under the provisions of the IT Act), and laws in relation to the GST, central sales tax, applicable State VAT, entry tax, service tax, excise duty and other tax laws, and to claim refunds and/or credit for taxes paid (including advance tax, self-assessment tax, tax deducted or collected at source, MAT, foreign tax credit, dividend distribution tax, wealth tax, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme.

34.2. All tax assessment/adjudication proceedings/ appeals of whatsoever nature by or against the Transferor Company 3 pending and/or arising at the Amalgamation Appointed Date and relating to the Transferor Company 3 shall be continued and/or enforced until the Effective Date by the Transferor Company 3. 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 3. Accordingly, it is expressly clarified that, after the Effective Date, any income tax notice including but not limited to Intimation, order, letter relating to any matter of IT Act, assessment, or any other communication related to income-tax proceedings with respect to the Transferor Company 3 for any period prior to the Effective Date shall be issued in the name of and be the responsibility of the Transferee Company. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the



amalgamation of the Transferor Company 3 with the Transferee Company or anything contained in the Scheme.

- 34.3. Any refund, under the IT Act and laws in relation to service tax, excise duty, central sales tax, applicable state VAT, entry tax, customs, foreign trade policy, GST, State industrial and incentive policies and schemes or other Applicable Laws or regulations dealing with taxes or duties or levies due to Transferor Company consequent to the assessment made on Transferor Company 3 (including any refund for which no credit is taken in the accounts of the Transferor Company) as on the date immediately preceding the Amalgamation Appointed Date shall also belong to and be received by the Transferee Company upon this Scheme becoming effective.
- 34.4. The tax payments (including, without limitation income tax, dividend distribution tax, service tax, excise duty, central sales tax, applicable state VAT, entry tax, customs, GST etc.) whether by way of tax deducted or collected at source, advance tax or otherwise howsoever, by the Transferor Company 3 after the Amalgamation Appointed Date, shall be deemed to be paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 34.5. Further, any tax deducted or collected at source by Transferor Company 3 or the Transferee Company on transactions with the Transferee Company or the Transferor Company 3, if any (from Amalgamation Appointed Date to Effective Date) shall be deemed to be advance tax / advance tax deducted or collected at source paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 34.6. Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company 3 shall be made or deemed to have been made and duly complied with by the Transferee Company.
- 34.7. For the period after the Amalgamation Appointed Date, all its continued benefits, incentives, exemptions, concessions and other benefits or privileges enjoyed by the Transferor Company 3 granted by any government body, regulatory authority, local authority, by any other person or law or availed of by the Transferor Company 3, the same shall without any other further act or deed shall vest with and be available to the Transferee Company on the same terms and conditions.



- 34.8. Without prejudice to the generality of the above, all benefits, incentives, losses (including but not limited to book losses and tax losses), unabsorbed depreciation, (book depreciation and tax unabsorbed depreciation, credits (including, without limitation income tax, MAT, tax deducted or collected at source, foreign tax credit, dividend distribution tax, wealth tax, service tax, excise duty, central sales tax, applicable state VAT, GST, customs duty, foreign trade policy benefits, State industrial policy and incentive schemes, drawback, etc.) to which the Transferor Company 3 is entitled to, shall be available to and vest in the Transferee Company, in terms of Applicable Laws, upon this Scheme coming into effect.
- 34.9. Upon the coming into effect of this scheme, all tax compliances under any Tax Laws by the Transferor Company on or after Appointed Date shall be deemed to be made by the Transferee Company.
- 34.10. All the deductions otherwise admissible to the Transferor Company 1, including payment admissible on actual payment basis or on deduction of appropriate Taxes or on payment of TCS or TDS (such as Section 43B, Section 40, Section 40A etc. of the IT Act) will be eligible for deduction to the Transferee Company, upon fulfilment of conditions, if any, required under the IT Act.

35. LEGAL PROCEEDINGS

- 35.1. If any Legal Proceedings by or against the Transferor Company 3 are pending on the Effective Date, the same shall not abate / be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company 3 with the Transferee Company or anything contained in the Scheme, but on and from the Effective Date, the Legal Proceedings may be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Company 3, in the absence of the Scheme.
- 35.2. It is clarified that until this Scheme comes into effect, the Transferor Company 3 shall in consultation with the Transferee Company continue and enforce the Legal Proceedings whether pending or initiated pending the coming into effect of this Scheme.

36. CONTRACTS, DEEDS, BONDS, APPROVALS AND OTHER INSTRUMENTS

- 36.1. For avoidance of doubt and without prejudice to the generality of Clause 33 above, it is clarified that upon coming into effect of this Scheme and with effect from the



Amalgamation Appointed Date and without any further act of the Transferor Company 3 and the Transferee Company, all memoranda of understanding, contracts, no objection certificates, rights, consents, permissions, quotas, deeds, bonds, agreements, arrangements, mortgages, indemnity, incentives, engagements, registrations, schemes, assurances, licenses, insurance policies and claims, business claims, guarantees, powers of attorney, authorities given by, issued to or executed in favour of the Transferor Company 3, quality certifications and approvals, trademarks, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other intellectual property and other interests relating to the Undertaking and other instruments (including all tenancies, leases (other than leases entered into between the Transferor Company 3 and the Transferee Company), and other assurances in favour of the Transferor Company 3 or powers or authorities granted by or to it) of whatsoever nature to which the Transferor Company 3 is a party or to the benefit of which the Transferor Company 3 may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be transferred to and vested in the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the rights and benefits under the same shall be available to the Transferee Company and, shall continue in full force and effect against or in favour of the Transferee Company as the case may be, under the same terms and conditions, and may be enforced as fully and effectually as if, instead of the Transferor Company 3, the Transferee Company had been a party or beneficiary or obligee or obligor thereto.

36.2. It is hereby clarified that by virtue of the provisions of the Scheme and pursuant to the MCA Order sanctioning the Scheme, upon the Scheme coming into effect, all rights, services, obligations, liabilities, responsibilities undertaken by or in favour of the Transferor Company 3 under any contractual arrangements shall automatically stand transferred to and vested in and/or shall be deemed to have been transferred to and vested in the Transferee Company and all benefits to which the Transferor Company 3 is entitled to shall be available to and vested in and/or shall be deemed to have been available to and vested in the Transferee Company, as a successor-in-interest and the Transferee Company shall be entitled to deal with the same instead of the Transferor Company 3, as if the same were originally performed or conferred upon or given or issued to or executed in favour of the Transferee Company, and the rights and benefits under the same will be available to the Transferee Company, without any further act or deed. The Transferee Company shall discharge its obligation in respect of the services to be performed/ provided or in respect of



payment of service charges under any contractual arrangements instead of the Transferor Company 3.

- 36.3. Without prejudice to the above, the Transferee Company shall, if so desirable or required or as may be necessary, upon the coming into effect of this Scheme and with effect from the Amalgamation Appointed Date, issue writings, confirmations, deeds, undertaking or other documents, to the extent that the Transferor Company 3 is required prior to the Effective Date to issue such writings confirmations, deeds, undertaking or other documents, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company 3, as the case may be. Further, the Transferee Company shall be deemed to be authorized to issue any such writings confirmations, deeds, undertaking or other documents, on behalf of the Transferor Company 3 and to implement or carry out all formalities required on the part of the Transferor Company 3.
- 36.4. Without prejudice to the above, it is further clarified that with respect to approvals, permissions, licenses, registrations, consents that may require amendment for the purpose of giving effect to this Scheme and to ensure that there is no change in the entitlements otherwise available to the Transferor Company 3 in the absence of this Scheme, the Transferee Company shall be permitted to use the name and approvals, permissions, licenses, registrations, consents of the Transferor Company 3 till such approvals, permissions, licenses, registrations, consents are so amended and updated, so as to enable the Transferee Company to continue to avail the entitlements otherwise available to the Transferor Company 3.
- 36.5. Without prejudice to the generality of the foregoing, all leave and licence agreements/deeds, lease agreements/deeds, bank guarantees, performance guarantees and letters of credit, agreements with any government entity, department, commission, board, agency, bureau or official, hire purchase agreements, lending agreements and such other agreements, deeds, documents and arrangements pertaining to the business of the Transferor Company 3 or to the benefit of which the Transferor Company 3 may be eligible and which are subsisting or having effect immediately before the Effective Date, including all rights and benefits (including benefits of any deposit, advances, receivables or claims) arising or accruing therefrom, shall, with effect from Amalgamation Appointed Date and upon this Scheme becoming effective, by operation of law pursuant to the vesting order of the MCA, be deemed to be contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses of the Transferee Company.



37. SAVING OF CONCLUDED TRANSACTIONS

37.1. The transfer of the assets and liabilities of the Transferor Company 3 under Clause 33 above, the continuance of Legal Proceedings under Clause 35 above and the effectiveness of contracts, deeds, bonds, approvals and other instruments under Clause 36 above, shall not affect any transaction or Legal Proceedings already concluded by the Transferor Company 3 on or before 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 3 in respect thereto, as if done and executed on its behalf.

38. EMPLOYEES

38.1. Upon the coming into effect of this Scheme, the employees of Transferor Company 3, if any, who are in service on the date immediately preceding the date on which the Scheme finally takes effect (i.e. the Effective Date), on and from the Effective Date, shall become the employees of the Transferee Company without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions than those on which they are engaged by the Transferor Company 3 immediately preceding the Effective Date.

38.2. Transferee Company agrees that the service of all employees of the Transferor Company 3 immediately prior to the coming into effect of this Scheme shall be taken into account from the date of their respective appointment with the Transferor Company 3 for the purposes of all retirement benefits to which they may be eligible in Transferee Company immediately prior to the coming into effect of this Scheme. Transferee Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with Transferor Company 3, shall also be taken into account and agrees and undertakes to pay the same as and when payable.

38.3. Upon the coming into effect of this Scheme, the Transferee Company shall make all the necessary contributions for such transferred employees and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. Transferee Company will also file relevant intimations to the Appropriate Authorities concerned who shall take



the same on record and substitute the name of the Transferee Company in place of Transferor Company 3.

- 38.4. In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by Transferor Company 3 for employees, shall be transferred to the necessary funds, schemes or trusts of Transferee Company and till the time such necessary funds, schemes or trusts are transferred , all contributions shall continue to be made to the existing funds, schemes or trusts of the Transferor Company 3 by the Transferee Company and the relevant employees.

39. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

- 39.1. With effect from the Amalgamation Appointed Date and up to and including the Effective Date:

39.1.1. The Transferor Company 3 shall be deemed to have been carrying on and shall carry on its businesses and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the assets of the Transferor Company 3 for and on account of, and in trust for, the Transferee Company. The Transferor Company 3 hereby undertakes to hold the said assets with utmost prudence until the Effective Date.

39.1.2. All the profits or income, taxes (including any carry forward accumulated losses, unabsorbed depreciation, advance tax, tax deducted or collected at source, foreign tax credit and MAT credit) or any costs, charges, expenditure accruing to the Transferor Company 3 or expenditure or losses arising or incurred or suffered by the Transferor Company 3 shall for all purpose be treated and be deemed to be and accrue as the profits, taxes, incomes, costs, charges, expenditure or losses of the Transferee Company, as the case may be, and will be available to the Transferee Company for being disposed of in any manner as it thinks fit, post the Effective Date.

- 39.2. With effect from the date of the Board of Directors of the Transferee Company approving the Scheme and up to and including the Effective Date:



39.2.1. The Transferor Company 3 shall carry on its businesses and activities with reasonable diligence, business prudence and shall not, without the prior written consent of the Transferee Company, venture into new businesses, invest in shares, alienate, charge, mortgage, encumber or otherwise deal with or dispose of the undertaking or any part thereof, except in the ordinary course of business.

39.2.2. The Transferor Company 3 shall not without prior written consent of the Transferee Company undertake any new business.

39.2.3. The Transferor Company 3 shall not take any major policy decisions in respect of its management and for its business and shall not change its present capital structure without the prior written consent of the Transferee Company.

40. CONSIDERATION

Since Transferor Company 3 would have become a wholly owned subsidiary of Transferee Company upon Part -III of the Scheme becoming effective, no shares will be issued in consideration of the amalgamation.

41. ACCOUNTING TREATMENT

ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEROR COMPANY 3

41.1 As the Transferor Company 3 shall stand dissolved without being wound-up upon the Scheme becoming effective, hence there is no accounting treatment prescribed under the Scheme in the Books of Transferor Company 3.

ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEEE COMPANY

41.2 Notwithstanding anything else contained in the Scheme, upon the Scheme coming into effect and with effect from the Amalgamation Appointed Date, the Transferee Company shall account for the amalgamation of the Transferor Company 3 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:

- 41.2.1 All the assets, liabilities and reserves in the books of the Transferor Company 3 shall stand transferred to and vested in the Transferee Company pursuant to this Scheme and shall be recorded by the Transferee Company at their respective carrying amounts as appearing in the books of the Transferor Company 3.
- 41.2.2 The identity of the reserves pertaining to the Transferor Company 3, shall be preserved and they shall be recorded in the financial statements of the Transferee Company in the same form in which they appeared in the books of the Transferor Company 3, and it shall be aggregated with the corresponding balance appearing in the books of the Transferee Company.
- 41.2.3 All the inter-company balances between the Transferee Company and Transferor Company 3, appearing in the books of the Transferee Company shall stand cancelled and there shall be no further obligation in that behalf.
- 41.2.4 The value of the investments held by the Transferee company in the Transferor Company 3 shall stand cancelled pursuant to amalgamation.
- 41.2.5 The surplus/deficit, if any arising after taking the effect of Clause 41.2.1, Clause 41.2.2 and 41.2.4, after giving effect of the adjustments referred to in Clause 41.2.3 shall be transferred to Capital Reserve / Amalgamation Adjustment Reserve in the financial statements of the Transferee Company and the same would be presented separately from other capital reserves with disclosure of its nature and purpose in the notes to the financial statements of the Transferee Company.
- 41.2.6 The comparative financial information presented in the financial statements of the Transferee Company should be restated as if the business combination had occurred from the beginning of the comparative period.



42 VALIDITY OF EXISTING RESOLUTIONS, ETC.

- 42.1 Upon coming into effect of the Scheme and with effect from the Amalgamation Appointed Date, the resolutions of the shareholders and the Board of Directors of Transferor Company 3, including resolutions of any committees authorized by and comprising inter alia of members of the Board of Directors of Transferor Company 3, as are considered necessary by the Board of Directors of Transferee Company and which are validly subsisting, shall be considered as resolutions of Transferee Company.
- 42.2 With effect from the Effective Date, the security creation, borrowing and investment limits of the Transferee Company under the Act shall be deemed, without any further act or deed, to have been enhanced by the security creation, borrowing and investment limits of the Transferor Company 3, such limits being incremental to the existing limits of the Transferee Company.
- 42.3 Any corporate approvals obtained by the Transferor Company 3, whether for purposes of compliance or otherwise, shall stand transferred to the Transferee Company and such corporate approvals and compliance shall be deemed to have been obtained and complied with by the Transferee Company

43 CONSOLIDATION OF AUTHORISED CAPITAL

- 43.1 Upon the effectiveness of this Scheme, the authorised share capital of the Transferor Company 3 shall be merged with that of the Transferee Company and the Transferee Company shall pay additional fees and duties, if any after setting off the fees, if any, paid by the Transferor Company 3. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the Appropriate Authority and no separate procedure or further resolution under Section 61 read with Section 13 of the Act or instrument or deed or payment of any stamp duty and registration fees shall be required to be followed under the Act.
- 43.2 It is clarified that the approval of the shareholders of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the consequential alteration of the Memorandum and Articles of Association of the Transferee Company and the Transferee Company shall not be required to seek separate consent / approval of its shareholders for such alteration of the Memorandum and



Articles of Association of the Transferee Company as required under Sections 13, 14, 16, 61, 62 and 64 of the Act and other applicable provisions of the Act.

- 43.3 The clause V of Memorandum of Association and clause 4 of the Articles of Association (if required) of Transferee Company shall stand amended as under:

“The Authorised share capital of the Company is Rs. 36,50,10,00,000 (Rupees Thirty-Six hundred Fifty crores Ten Lakh only) divided into 18,25,05,00,000 (Eighteen Hundred Twenty-Five Crore Five Lakh only) Equity shares of Rs.2/- each, 1,70,00,000 (One crore Seventy Lakh only), 7.5% Redeemable Preference Shares of Rs.10/- each and 50,00,000 (Fifty Lakh only) Preference Shares of Rs.10/- each.”

44 DISSOLUTION OF THE TRANSFEROR COMPANY 3

- 44.1 On the Scheme becoming effective, the Transferor Company 3 shall be dissolved without being wound up without any further act by the Transferor Company 3 and the Transferee Company.
- 44.2 On and with effect from the Effective Date, the name of the Transferor Company 3 shall be struck off from the records of the RoC. The Transferee Company shall make all necessary filings in this regard. The Transferee Company shall maintain the books and records of the Transferor Company 3, in terms of provisions of Section 239 of the Act.
- 44.3 Any obligations or steps which need to be undertaken by the Transferor Company 3 pursuant to the sanction of this Scheme shall be fulfilled by the Transferee Company.



Part – VI
DEMERGER OF GAS TRANSMISSION BUSINESS UNDERTAKING
INTO THE RESULTING COMPANY

45 TRANSFER AND VESTING OF DEMERGED UNDERTAKING

Upon the Scheme becoming effective and with effect from the Demerger Appointed Date, the Demerged Undertaking shall, in accordance with Section 2(19AA) of the IT Act and pursuant to Sections 230 to 232 and other applicable provisions of the Act, and pursuant to the MCA Order, without any further act, instrument or deed, be demerged from the Demerged Company and stand transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company as a going concern from the Demerger Appointed Date in the manner set out below.

46 TRANSFER OF ASSETS

46.1 Upon the Scheme becoming effective and with effect from the Demerger Appointed Date, the Demerged Undertaking shall, subject to the provisions of this Clause 46.1 in relation to the mode of transfer and vesting under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law and without any further act or deed, be demerged from the Demerged Company, and be transferred to and vested in the Resulting Company as a going concern so as to become as and from the Demerger Appointed Date, the estate, assets (including all the natural gas pipelines including the Hazira – Ankleshwar pipeline, their ROUs, ROWs, all authorizations, permits, consents, licenses etc), rights, claims, title, interest and authorities including accretions and appurtenances of the Resulting Company, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.

46.2 It is clarified that all assets, estates, rights, title, claims, investments, interest and authorities acquired after the Demerger Appointed Date and prior to the Effective Date and forming part of the Demerged Undertaking, shall also, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law, stand transferred to and vested in or be deemed to have been transferred to or vested in the Resulting Company upon the coming into effect of this Scheme, without any further act, instrument or deed.

46.3 Upon the Scheme becoming effective and with effect from the Demerger Appointed Date, without prejudice to the generality of the above:



- (a) In respect of the assets of the Demerged Undertaking that are movable in nature (including shares and marketable securities) or incorporeal properad/ or other liabilities capable of transfer by manual or constructive delivery and/or by endorsement and/or delivery, including cash and bank balances, units of mutual funds, market instruments and securities of the Demerged Undertaking shall stand transferred to the Resulting Company pursuant to provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law or be deemed to be transferred by delivery or possession or by endorsement and delivery and without requiring any deed or instrument of convey acne for transfer of the same, and shall become the property of the Resulting Company subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions.
- (b) In respect of movable assets (other than those dealt with in Clause 46.3(a) above), including but not limited to sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits with any Appropriate Authorities or any other bodies and/or customers or any other person, if any, forming part of the Demerged Undertaking, whether recoverable in cash or in kind or for value to be received, etc., shall stand transferred to and vested in the Resulting Company without any notice or other intimation to any person in pursuance of the provisions of Sections 230 to 232 read with other relevant provisions of the Act and all other applicable provisions of Applicable Law to the end and intent that the right to recover or realize the same stands transferred to the Resulting Company, and that appropriate entries should be passed in their respective books to record the aforesaid change, without any notice or other intimation to such debtors, depositors or persons as the case may be. The Resulting Company may, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be. that the said sundry debts, actionable claims, earnest monies, receivables, bills, credits, loans, advances and deposits stands transferred to and vested in the Resulting Company and be paid or made good or held on account of the Resulting Company as the person entitled thereto.
- (c) All immovable property, whether or not included in the books of the Demerged Company, whether freehold or leasehold or licensed properties (including but not limited to land, buildings, natural gas pipeline, sites and immovable properties and any other document of title, rights, interest, right of



way and easements in relation thereto) of the Demerged Undertaking exclusively shall stand transferred to and be vested in the Resulting Company or be deemed to be transferred to and be vested in the Resulting Company automatically without any act or deed to be done or executed by the Demerged Company and/or the Resulting Company. All lease or license or rent agreements pertaining exclusively to the Demerged Undertaking, together with security deposits, shall stand automatically transferred in favour of the Resulting Company on the same terms and conditions, subject to Applicable Law, without any further act, instrument or deed. The Resulting Company shall continue to pay rent amounts as provided for in such agreements and shall comply with the other terms, conditions and covenants thereunder and shall also be entitled to refund of security deposits paid under such agreements. For the purpose of giving effect to the vesting order passed under Sections 230 to 232 of the Act in respect of this Scheme, the Resulting Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfil all its obligations in relation to or applicable to all such immovable properties, including mutation and/or substitution of the ownership or the title to, or interest in the immovable properties which shall be made and duly recorded by the Appropriate Authority(ies) in favour of the Resulting Company pursuant to the MCA Order and upon the effectiveness of this Scheme in accordance with the terms hereof without any further act or deed to be done or executed by the Demerged Company and /or the Resulting Company. It is clarified that the Resulting Company shall be entitled to engage in such correspondence and make such representations, as may be necessary for the purposes of the aforesaid mutation and/or substitution. For the purposes this Clause, the Boards of the relevant Companies may, in their absolute discretion, mutually decide the manner of giving effect to the transfer or vesting of the whole or part of the right, title and interest in all or any of the immovable properties along with any attendant formalities involved, including by way of execution of deed(s) of conveyance, assignment, transfer or rectification, in order to give effect to the objectives of the Scheme.

- (d) All intellectual property (including logos, brand, tradename) and rights, whether registered or unregistered, along with all rights of commercial nature including attached goodwill, title, interest, and all other interests relating to the goods or services forming part of the Demerged Undertaking, shall be transferred to and vest in the Resulting Company.



- (e) All assets, estate, rights, title, remedies, claims, rights of action, interest and authorities forming part of the Demerged Undertaking, not otherwise specified in the above Clauses, shall also, without any further act instrument or deed, stand transferred to and vested in or be deemed to be transferred to and vested in the Resulting Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230-232 of the Act and all other applicable provisions of Applicable Laws.
- (f) In so far as various incentives, subsidies, exemptions, remissions, reductions, export benefits, all indirect tax related benefits, service tax benefits, all indirect tax related assets/ credits, including but not limited to GST input credits, service tax input credits, VAT/ sales tax/ entry tax credits or set-off, income tax holiday/ benefit/ losses/ minimum alternative tax and other benefits or exemptions or privileges enjoyed, granted by any Appropriate Authority or by any other person, or availed of in relation to the Demerged Undertaking are concerned, the same shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law without any further actor deed, in so far as they relate to the Demerged Undertaking, vest with and be available to the Resulting Company on the same terms and conditions as were available in relation to the Demerged Undertaking and as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Resulting Company, to the end and intent that the right in relation to the Demerged Undertaking to recover or realize the same, stands transferred to the Resulting Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- (g) With respect to the investments in shares, stocks, bonds, warrants, units of mutual funds or any other securities, shareholding interests in other companies, whether quoted or unquoted, by whatever name called, forming part of the Demerged Undertaking, the same shall, without any further act, instrument or deed, be transferred to and vested inland/or be deemed to be transferred to and vested in the Resulting Company on the Demerger Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.
- (h) Any insurance policies, claims under insurance policies, claims due from customers or otherwise and which have not been received by as on the date immediately preceding the Demerger Appointed Date as the case may be, in relation to or in connection with the Demerged Undertaking, shall also belong to and be received by the Resulting Company.



(i) All relevant / applicable electricity connections pertaining to Demerged Undertaking, sanctioned by various public sector and private companies, boards, agencies and authorities, together with security deposits and all other advances paid, shall stand automatically transferred and vested in favour of the Resulting Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The relevant electricity companies, boards, agencies and authorities shall issue invoices in the name of the Resulting Company with effect from the billing cycle commencing from the month immediately succeeding the month in which an intimation of the MCA's approval of this Scheme is filed by the Resulting Company with them. The Resulting Company and the relevant electricity companies, boards, agencies and authorities shall continue to comply with the terms, conditions and covenants associated with the grant of such connection. Without limiting the generality of the foregoing, the Resulting Company shall also be entitled to refund of security deposits paid to or placed with such electricity companies, boards, agencies, Municipal Corporation, statutory and other authorities in relation to the Demerged Undertaking.

46.4 Notwithstanding the fact that vesting of the Demerged Undertaking occurs by virtue of this Scheme, the Resulting Company may at any time on or after the Effective Date, in accordance with the provisions hereof if so required under any Applicable Law or otherwise, to ensure (i) implementation of the provisions of the Scheme; (ii) uninterrupted transfer of the relevant consents, approvals, patents, permissions, licenses, registrations, certificates etc.; and (iii) continued vesting of the benefits and exemptions available in relation to the Demerged Undertaking, the Board of Directors of the Demerged Company and / or Resulting Company shall be deemed to have been authorized to execute or enter into necessary documentations with any regulatory and take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements relating to the Demerged Undertaking as may be necessary in order to give formal effect to the provisions of this Scheme. The Resulting Company shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company.



- 46.5 Upon the Scheme coming into effect and with effect from the Demerger Appointed Date, in relation to assets, if any, which, under Applicable Law, require separate documents for vesting in the Resulting Company, or which the Demerged Company and/or the Resulting Company and or otherwise desire to be vested separately, the Demerged Company and the Resulting Company will execute such deeds, documents or such other instruments, if any. as may be mutually agreed.
- 46.6 On and from the Effective Date and thereafter, the Resulting Company shall be entitled to operate all bank accounts relating to the Demerged Undertaking and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes relating to the Demerged Undertaking in the name of the Resulting Company so far as may be necessary until the transfer of rights and obligations of the Demerged Undertaking to the Resulting Company under this Scheme have been formally given effect to under such contracts and transactions.
- 46.7 It is clarified that with effect from the Effective Date and till such time that the name of the bank accounts relating to the Demerged Undertaking, have been replaced with that of the Resulting Company, the Resulting Company shall be entitled to operate the bank accounts relating to the Demerged Undertaking in so far as may be necessary. All cheques and other negotiable instruments, electronic fund transfers (such as NEFT, RTGS, etc.) and payment orders received or presented for encashment which relate to the Demerged Undertaking, after the Demerger Appointed Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company, if presented by the Resulting Company. The Resulting Company shall be allowed to maintain bank accounts relating to the Demerged Undertaking for such time as may be determined to be necessary by the Resulting Company for presentation and deposition of cheques and pay orders that have been issued and relate to the Demerged Undertaking. It is hereby expressly clarified that any Legal Proceedings, in relation to or in connection with the Demerged Undertaking, in relation to the cheques and other negotiable instruments, payment orders received or presented for encashment shall be instituted, or as the case may be. continued by or against the Resulting Company after the Effective Date.
- 46.8 Without prejudice to the generality of the foregoing, all leave and licence agreements/deeds, lease agreements/deeds, bank guarantees, performance guarantees and letters of credit, agreements with any government entity, department, commission, board, agency, bureau or official, hire purchase



agreements, lending agreements and such other agreements, deeds, documents and arrangements pertaining to the Demerged Undertaking and which are subsisting or having effect immediately before the Effective Date, including all rights and benefits (including benefits of any deposit, advances, receivables or claims) arising or accruing therefrom, shall, with effect from Demerged Appointed Date and upon this Scheme becoming effective, by operation of law pursuant to the vesting order of the MCA, be deemed to be contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses of the Resulting Company.

47 TRANSFER OF LIABILITIES

47.1 Upon coming into effect of this Scheme and with effect from the Demerger Appointed Date, all Demerged Liabilities (as defined below), whether or not provided in the books of and records relating to the Demerged Undertaking shall, without any further act, instrument or deed, stand transferred to the Resulting Company to the extent that they are outstanding as on the Effective Date and shall thereupon become as and from the Demerger Appointed Date the debts, duties, obligations, and liabilities of the Resulting Company, along with any Encumbrance relating thereto, on the same terms and conditions as were applicable in relation to the Demerged Undertaking. The Resulting Company undertakes to meet, discharge and satisfy the same to the exclusion of the Demerged Company such that the Demerged Company shall in no event be responsible or liable in relation to any such Demerged Liabilities.

47.2 The term “**Demerged Liabilities**” shall mean:

- (a) the liabilities which exclusively arise out of the activities or operations of the gas transmission business;
- (b) the specific loans or borrowings (including debentures, if any) raised, incurred and utilized solely for the activities or operations of the gas transmission business;
- (c) in cases other than those referred to in Clause 47.2 (a) or Clause 47.2(b) above, so much of the amounts of general or multipurpose borrowings, if any, relating to the Demerged Undertaking, as stand in the same proportion which the value of the assets transferred pursuant to the demerger bears to the total value of the assets relating to the Demerged Undertaking.



- 47.3 In so far as the Demerged Liabilities are concerned, such Demerged Liabilities transferred to the Resulting Company in terms of Clause 47.1 hereof, shall, without any further act, instrument or deed, become loans and borrowings of the Resulting Company, and all rights, powers, duties and obligations in relation thereto shall stand transferred to and vested in and shall be exercised by or against the Resulting Company as if it had entered into such loans and incurred such borrowings. Thus, with effect from the Effective Date, the primary obligation to redeem or repay such Demerged Liabilities shall be that of the Resulting Company.
- 47.4 Where any of the Demerged Liabilities has been partially or fully discharged in relation to the Demerged Undertaking prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company, and all liabilities and obligations incurred by the Demerged Company for the operations of the Demerged Undertaking after the Demerger Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of the Resulting Company, and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Resulting Company and shall become the liabilities and obligations of the Resulting Company.
- 47.5 Upon the coming into effect of this Scheme and with effect from the Demerger Appointed Date, the Demerged Company alone shall be liable to perform all obligations in respect of all debts, liabilities, duties and obligations pertaining to its Remaining Undertaking and the Resulting Company shall not have any obligations in respect of the debts, liabilities, duties and obligations of the Remaining Undertaking. Further, upon the coming into effect of this Scheme and with effect from the Appointed Date, the Resulting Company alone shall be liable to perform all obligations in respect of Demerged Liabilities, which have been transferred to it in terms of this Scheme, and the Demerged Company shall not have any obligations in respect of such respective Demerged Liabilities.
- 47.6 It is expressly provided that, save as mentioned in this Scheme, no other term or condition of the Demerged Liabilities transferred to the Resulting Company as part of the Scheme is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.
- 47.7 Upon the coming into effect of this Scheme, the borrowing limits of the Resulting Company in terms of Section 180(1)(c) of the Act shall be deemed increased without any further act, instrument or deed to the equivalent of the aggregate borrowings forming part of the Demerged Liabilities and relating to the Demerged



Undertaking. Such limits shall be incremental to the existing borrowing limits of the Resulting Company

48 CONSEQUENTIAL TAX MATTERS

Notwithstanding anything to the contrary contained in this Scheme, upon effectiveness of this Scheme:

- 48.1 The Demerged Company shall be liable for any Tax payable to Appropriate Authorities under Tax Laws and shall be entitled to any refunds of Tax from Appropriate Authorities under Tax Laws, which, in each case, arise exclusively from the operation or activities of the Demerged Undertaking prior to the Demerger Appointed Date, regardless of whether such payments or receipts are provided or recorded in the books of the Demerged Company and whether such payments or receipts are due or realised on, before or after the Demerger Appointed Date.
- 48.2 The Resulting Company shall be liable for any tax payable to Appropriate Authorities under Tax Laws and shall be entitled to refunds of any Tax from Appropriate Authorities under Tax Laws, which, in each case, arise from the operation or activities of the Demerged Undertaking on or after the Demerger Appointed Date, regardless of whether such payments or receipts are provided or recorded in the books of the Demerged Company and whether payments or receipts are due or realised on, before or after the Demerger Appointed Date.
- 48.3 All liabilities under Tax Laws which relate exclusively to the activities or operations of the Demerged Undertaking prior to the Demerger Appointed Date shall remain the liabilities of the Demerged Company after the Effective Date, regardless of whether such liabilities arise on or after the Demerger Appointed Date.
- 48.4 Upon effectiveness of this Scheme, all Taxes paid or payable by the Demerged Company in respect of the operations and/or the profits of the Demerged Undertaking on and from the Appointed Date, shall be on account of the Resulting Company. Upon effectiveness of this Scheme, the payment of any Tax whether by way of deduction or collection at source, advance tax, self-assessment tax, minimum alternate tax or otherwise howsoever, by the Demerged Company in respect of the activities or operations of the Demerged Undertaking on and from the Demerger Appointed Date, shall be deemed to have been paid by the Resulting Company, and, shall, in all proceedings, be dealt with accordingly.



- 48.5 Any refund of Tax paid under Tax Laws including income tax, sales tax, value-added tax, service tax, GST, VAT or any other Tax, in relation to the operation of Demerged Undertaking prior to the Demerger Appointed Date shall belong to and be received by the Demerged Company, even if the prescribed time limits for claiming such refunds or credits have lapsed. Any refund of Tax paid under Tax Laws including income tax, sales tax, VAT, service tax, GST or any other Tax, in relation to the operation and activities of the Demerged Undertaking on or after the Demerger Appointed Date shall belong to and be received by the Resulting Company, even if the prescribed time limits for claiming such refunds or credits have lapsed.
- 48.6 Any Tax incentives, subsidies, exemptions, special status, tax benefits (including but not limited to export incentives, credits/ incentives in respect of income tax. sales tax. value added tax, GST, turnover tax. excise duty, service tax etc.), duty drawbacks, and other benefits, credits, exemptions or privileges enjoyed, granted by an Appropriate Authority or availed of shall, without any further act or deed, in so far as they relate to or are available for the operation and activities of the Demerged Undertaking on or after the Demerger Appointed Date, vest with and be available to Resulting Company on the same terms and conditions, as if the same had been originally allotted and/or granted and/or sanctioned and/or allowed to the Resulting Company.
- 48.7 Upon the Scheme becoming effective, the Demerged Company shall have the right to revise their tax returns viz. income tax, withholding tax and any other statutory returns and filings under the tax laws, along with prescribed forms, filings and annexures under the IT Act (even in a case where the due date to revise the income tax returns have expired under the provisions of the IT Act), and laws in relation to the GST, central sales tax, applicable State VAT, entry tax, service tax, excise duty and other tax laws, and to claim refunds and/or credit for taxes paid (including advance tax, self-assessment tax, tax deducted at source, MAT, foreign tax credit, dividend distribution tax, wealth tax, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme.
- 48.8 Any actions taken by the Demerged Company to comply with Tax Laws (including payment of taxes, maintenance of records, payments, returns, tax filings, etc.) in respect of the Demerged Undertaking on and from the Demerger Appointed Date up to the Effective Date shall be considered as adequate compliance by the Demerged Company with such requirements under Tax Laws and such actions shall



be deemed to constitute adequate compliance by the Resulting Company with the relevant obligations under such Tax Laws.

- 48.9 Any unutilized GST credits pertaining to the Demerged Undertaking shall be transferred to the Resulting Company in accordance with Applicable Laws. The Demerged Company and Resulting Company shall take such actions as may be necessary under Applicable Law to give effect to such transfer. GST credits and liability in connection with GST pertaining to the activities or operations of the Demerged Undertaking between the Demerger Appointed Date and the Effective Date shall be dealt with in accordance with Applicable Law.
- 48.10 If the Demerged Company makes any payment to discharge any liabilities under Tax laws that are the responsibility of the Resulting Company, the Resulting Company shall promptly pay or reimburse the Demerged Company for such payment. If the Resulting Company makes any payment to discharge any liabilities under Tax Laws that are the responsibility of the Demerged Company, the Demerged Company shall promptly pay or reimburse the Resulting Company for such payment.
- 48.11 Any benefits under incentive schemes and policies relating to the Demerged Undertaking shall be transferred to and vested in the Resulting Company.

49 ENCUMBRANCES

- 49.1 The transfer and vesting of the assets comprised in the Demerged Undertaking to the Resulting Company upon the coming into effect of the Scheme shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided.
- 49.2 In so far as the existing Encumbrances in respect of the Demerged Liabilities are concerned, such Encumbrances shall, without any further act, instrument or deed be modified, shall be extended to, and shall operate only over the assets comprised in the Demerged Undertaking to which such Demerged Liabilities relates, which have already been Encumbered in respect of the Demerged Liabilities as transferred to the Resulting Company pursuant to this Scheme, and such Encumbrances shall not relate to or attach to any of the other assets of the Resulting Company. Provided that if any of the assets comprised in the Demerged Undertaking being transferred to the Resulting Company pursuant to this Scheme have not been Encumbered in respect of the Demerged Liabilities, such assets shall remain unencumbered, and the existing Encumbrances referred to above shall not be extended to and shall not



operate over such assets. The Scheme shall not operate to enlarge the Encumbrances, nor shall the Resulting Company be obliged to create any further or additional security after the Scheme has become effective or otherwise. 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.

- 49.3 If any Encumbrance of the Demerged Company for the operations of the Demerged Undertaking exists as on the Demerger Appointed Date, but has been partially or fully released thereafter, such release shall be deemed to be for and on account of the Resulting Company upon the coming into effect of the Scheme and all Encumbrances incurred in relation to the Demerged Undertaking on or after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of the Resulting Company, and such Encumbrances shall not attach to any property of the Demerged Company.
- 49.4 Subject to the other provisions of this Scheme, in so far as the assets forming part of the Demerged Undertaking are concerned, the Encumbrances over such assets, to the extent they relate to any loans or borrowings or debentures or other debt or debt securities of the Remaining Undertaking of the Demerged Company, shall, as and from the Effective Date, without any further act, instrument or deed, stand released and discharged and shall no longer be available as Encumbrances in relation to those liabilities of the Demerged Company pertaining to its Remaining Undertaking (and which shall continue with the Demerged Company).
- 49.5 In so far as the assets of the Remaining Undertaking are concerned, the Encumbrances over such assets, to the extent they relate to any loans or borrowings forming part of the relevant Demerged Liabilities shall, without any further act, instrument or deed be released and discharged from such Encumbrances. The absence of any formal amendment which may be required by a bank and/or financial institution or trustee or third party in order to give effect to such release shall not affect the operation of this Clause.
- 49.6 In so far as the existing Encumbrances in respect of the loans and other liabilities relating to a Remaining Undertaking are concerned, such Encumbrances shall, without any further act, instrument or deed be continued with the Demerged Company, only on the assets relating to the relevant Remaining Undertaking and the assets forming part of the Demerged Undertaking shall stand released therefrom.



- 49.7 In so far as the existing Encumbrances over the assets and other properties of the Resulting Company or any part thereof which relate to the liabilities and obligations of the Resulting Company prior to the Effective Date are concerned, such Encumbrance shall, without any further act, instrument ordered continue to relate to only such assets and properties and shall not extend or attach to any of the assets and properties of the Demerged Undertaking transferred to and vested in the Resulting Company by virtue of the Scheme.
- 49.8 Without any prejudice to the provisions of the foregoing Clauses and upon coming into effect of this Scheme, the Demerged Company and the Resulting Company shall enter into and execute such other deeds, instruments, documents and/or writings and/or do all acts and deeds as maybe required from the Demerged Company, including the filling of necessary particulars and/or modification(s) of charge, with the RoC to give formal effect to the provisions of this Clause and foregoing Clauses, if required.
- 49.9 Any reference to the Demerged Company and its assets and properties in any security documents or arrangements (to which the Demerged Company is a party), which relate to the Demerged Undertaking, shall be construed as a reference to the Resulting Company and the assets and properties of the Demerged Company shall be transferred to the Resulting Company by virtue of the Scheme. Without prejudice to the provisions of the foregoing Clauses and upon coming into effect of the Scheme, the Demerged Company and the Resulting Company may enter into and execute such other deeds, instruments, documents and/or writings and/or do all acts and deeds as may be required, including the filing of necessary particulars and/ modification(s) of charge, with the Registrar of Companies to give formal effect to the provisions of this Clause and foregoing Clauses, if required.

50 EMPLOYEES

- 50.1 On the Scheme becoming effective, all Employees relating to Demerged Undertaking shall be deemed to have become employees of the Resulting Company with effect from the Demerger Appointed Date without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Resulting Company shall not be less favourable than those applicable to them with reference to their employment in the Demerged Company on the Effective Date. The services of all employees relating to the Demerged Undertaking prior to the demerger shall be taken into account for the purposes of all benefits to which the employees relating to the Demerged Undertaking, may be



eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral benefits, terminal benefits and to this effect the accumulated balances, if any standing to the credit of such Employees in the existing provident fund, gratuity fund and superannuation funds.

- 50.2 It is expressly provided that, on the Scheme becoming effective, in so far as the provident fund, gratuity fund, superannuation fund or any other special fund created under some statute or otherwise or trusts, if any, created or existing for the benefit of the staff and employees relating to the Demerged Undertaking are concerned (collectively referred to as the "**Funds**"), such of the investments made in the funds and liabilities which are attributable/referable to the employees relating to the Demerged Undertaking shall be transferred to the similar funds created and/or nominated by the Resulting Company and shall be held for their benefit pursuant to this Scheme. In the event that the Resulting Company does not have its own funds in respect of any of the above, the Resulting Company may, subject to necessary approvals and permissions, continue to contribute to the relevant Funds, until such time that the Resulting Company creates its own funds, at which time the funds and the investments and contributions pertaining to the employees relating to the Demerged Undertaking shall be transferred to the funds created by the Resulting Company.
- 50.3 Further to the transfer of Funds as set out in Clause 50.2 above, for all purposes whatsoever in relation to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, all rights, duties, powers and obligations of the Demerged Company in relation to the Demerged Undertaking as on the Effective Date in relation to such Funds shall become those of the Resulting Company. It is clarified that the services of the employees relating to the Demerged Undertaking will be treated as having been continuous for the purpose of the said Funds.
- 50.4 In relation to any other fund (including any funds set up by the government for employee benefits) created or existing for the benefit of the employees relating to the Demerged Undertaking, the Resulting Company shall stand substituted for all purposes whatsoever, including relating to the obligation to make contributions to the said funds in accordance with the provisions of such scheme, funds, bye laws, etc. in respect of such employees.



50.5 In so far as the existing benefits or funds created by the Demerged Company for the employees of the Remaining Business are concerned, the same shall continue and the Demerged Company shall continue to contribute to such benefits or funds in accordance with the provisions thereof, and the Resulting Company shall have no liability in respect thereof.

51 CONDUCT OF THE BUSINESS OF DEMERGED COMPANY TILL THE EFFECTIVE DATE

51.1 On the Scheme becoming effective, from the Demerger Appointed Date, the Demerged Company shall be deemed to have been carrying on and shall carry on its business and activities relating to the Demerged Undertaking and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its estates, properties, rights, title, interest, authorities, contracts and investments and assets forming part of the Demerged Undertaking for and on account of and in trust for the Resulting Company.

51.2 All the profits or income accruing or arising to the Demerged Company and expenditure, or losses arising or incurred or suffered by the Demerged Company which form part of Demerged Undertaking, for the period commencing from the Demerger Appointed Date shall, for all purposes, be treated and be deemed to be accrued as the income or profits or losses or expenditure as the case may be of the Resulting Company.

51.3 Upon the Scheme becoming effective and with effect from the Demerger Appointed Date, any of the rights, powers, authorities or privileges attached, related or forming part of the Demerged Undertaking, exercised by the Demerged Company shall be deemed to have been exercised by the Demerged Company for and on behalf of and in trust for the Resulting Company. Similarly, any of the obligations, duties and commitments attached, related or forming part of the Demerged Undertaking that have been undertaken or discharged by the Demerged Company shall be deemed to have been undertaken/discharged for and on behalf of the Resulting Company.

51.4 With effect from the Effective Date, the Resulting Company shall commence and carry on and shall be authorized to carry on the Demerged Undertaking which was hitherto carried on by the Demerged Company.



52 LEGAL PROCEEDINGS

- 52.1 Upon the coming into effect of this Scheme, if any Legal Proceeding in relation to the Demerged Undertaking is pending on the Effective Date or is instituted any time thereafter, and if such proceeding is capable of being continued by or against the Resulting Company under Applicable Law, 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 shall be continued, prosecuted and enforced by or against the Resulting Company, as the case may be, after the Effective Date, in the same manner and to the same extent as it would have been continued, prosecuted and enforced as if this Scheme had not been made.
- 52.2 The provisions of this Clause shall also apply to any Legal Proceeding under any Tax Law relating to the Demerged Undertaking. Any such tax proceedings in relation to the Demerged Undertaking and pertaining to the period on or after the Demerger Appointed Date shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, and shall be continued, prosecuted and enforced by or against the Resulting Company, as the case may be, after the Effective Date, in the same manner and to the same extent as it would or might have been continued as if this Scheme had not been made.
- 52.3 In case of any litigation, suits, recovery proceedings etc., which are the responsibility of the Resulting Company, which are to be initiated or may be initiated in relation to the Demerged Undertaking, the Demerged Company shall defend the same in accordance with the advice of the Resulting Company and at the cost of the Resulting Company, and the Resulting Company shall reimburse and indemnify the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof. If any proceedings are taken against the Resulting Company after the Effective Date which are the responsibility of the Demerged Company, the Resulting Company shall defend the same in accordance with the advice of the Demerged Company and at the cost of the Demerged Company, and the Demerged Company shall reimburse and indemnify the Resulting Company against all liabilities and obligations incurred by the Resulting Company in respect thereof.



52.4 The Resulting Company undertakes to have all legal or other proceedings relating to the Demerged Undertaking which are the responsibility of the Resulting 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 Resulting Company to the exclusion of the Demerged Company. The Demerged Company undertakes to have all legal or other proceedings initiated by or against Resulting Company after the Effective Date which are the responsibility of the Demerged 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 Demerged Company to the exclusion of the Resulting Company.

53 CONTRACTS, DEEDS, ETC.

53.1 Upon coming into effect of this Scheme and subject to the other provisions of this Scheme, all contracts, deeds, bonds, schemes, insurance, letters of intent, tenders obtained or applied, bids, undertakings, arrangements, policies, agreements another instruments, if any, of whatsoever nature exclusively forming part of a Demerged Undertaking and which is subsisting or having effect on the Effective Date, shall without any further act or deed, continue in full force and effect against or in favour of the Resulting Company and may be enforced by or against the Resulting Company as fully and effectually as if the Resulting Company had been a party thereto. It shall not be necessary to obtain the consent of any third party or other person who is a party to any such contracts, deeds, bonds, agreements, schemes, arrangements and other instruments to give effect to the provisions of this Clause.

53.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, the Resulting Company may, at any time after the coming into effect of the Scheme, in accordance with its provisions, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), instruments, confirmations or other writings or arrangements with any party to any contract or arrangement relating to Demerged Undertaking, or any writings as may be necessary, in order to give formal effect to the provisions of this Scheme. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company in relation to Demerged Undertaking to be carried out or performed.



53.3 Without prejudice to the aforesaid, it is clarified that if any assets (estate, claims, rights, title, interest in or authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertaking which cannot be transferred to the Resulting Company for any reason whatsoever, then:

- (a) The Demerged Company shall hold such asset or contract, deeds, bonds, agreements, schemes, tenders, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company, in so far as it is permissible so to do till such time as their transfer is given effect to;
- (b) The Demerged Company and the Resulting Company shall, however, between themselves, treat each other as if that all contracts, deeds, bonds, agreements, schemes, tenders, arrangements or other instruments of whatsoever nature in relation to the Demerged Undertaking had been transferred to the Resulting Company on the Effective Date; and
- (c) The Resulting Company shall perform or assist the Demerged Company in performing all of the obligations under those contracts, deeds, bonds, agreements, schemes, tenders, arrangements or other instruments of whatsoever nature, to be discharged after the Effective Date.

It is clarified that the Demerged Company and the Resulting Company may enter into contracts or arrangements, as may be required to give effect to the provisions of this Clause 53.3 and such contracts or arrangements shall not be cancelled or inoperative pursuant to Clause 53.4 below.

53.4 Any inter-se contracts between the Demerged Company on the one hand and the Resulting Company on the other hand in connection with the Demerged Undertaking shall stand cancelled and cease to operate upon the effectiveness of this Scheme.

53.5 Notwithstanding any such mechanism or arrangement between the Demerged Company and Resulting Company, the said Companies agree that the Demerged Company shall with respect to the period after the Effective Date, (i) not be responsible for performance of any obligations or for any liabilities whatsoever arising from or in relation to the Demerged Undertaking; and (ii) not be entitled to any rights or to receive any benefits whatsoever in relation to the Demerged



Undertaking. The economic, financial, technical and operational responsibility and all related costs and expenses (direct and incurred), liabilities and taxes in connection with the Demerged Undertaking, shall rest and be borne entirely and exclusively by Resulting Company after the Effective Date. Resulting Company shall promptly pay, indemnify and hold harmless the Demerged Company for and from any such costs and expenses, losses, damages, liabilities and taxes

54 PERMITS, CONSENTS AND LICENSES

54.1 The licenses, permits, permissions, consents, quotas, approvals, incentives, subsidies, rights, claims, leases, tenancy rights, liberties, allotments, insurance cover, clearances, authorities, privileges, affiliations, easements, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted, conferred upon, held or availed of by and all rights and benefits that have accrued, in relation to or in connection with the Demerged Undertaking, and regulatory permissions, registration or other licenses, and consents, if any, received by the Demerged Company, forming part of or relating to the Demerged Undertaking, pursuant to the provisions of Sections 230 to 232 of the Act, shall without any further act, instrument or deed, be transferred to and vest in or be deemed to have been transferred to and vested in and be available to the Resulting Company so as to become, as and from the Demerger Appointed Date, the estates, assets, licenses, permits, privileges, title, interests and authorities of the Resulting Company and shall remain valid, effective and enforceable on the same terms and conditions of the extent permissible under Applicable Law and the concerned licensors and grantors of such approvals, clearances, permissions, etc., shall endorse, where necessary, and record, in accordance with Applicable Law, the Resulting Company on such approvals, clearances, permissions etc. so as to acknowledge and record the transfer and vesting of the Demerged Undertaking in the Resulting Company and continuation of operations forming part of the Demerged Undertaking in the Resulting Company without hindrance; and that such approvals, clearances and permissions etc. shall remain in full force and effect in favour of or against the Resulting Company, as the case may be. The Resulting 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 Resulting Company and may be enforced as fully and effectually as if the Resulting Company had been a Party. The Demerged Company and the Resulting Company may execute necessary documentation to give effect to the foregoing, where required.



54.2 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, pre-qualifications, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in relation to the Demerged Undertaking, including by any Appropriate Authority, including the benefits of any applications made for any of the foregoing, shall, subject to Applicable Law, stand transferred to the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company, and the Resulting 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 Resulting Company. The Resulting Company shall make necessary applications / file relevant forms to any Appropriate Authority as may be necessary in this behalf.

54.3 Upon this Scheme being effective, the past track record relating to the Demerged Undertaking, including without limitation, the profitability, experience, credentials and market share, shall be deemed to be the track record of the Resulting Company for all commercial and regulatory purposes including for the purposes of eligibility, standing, evaluation and participation of the Resulting Company in all existing and future bids, tenders and contracts of all authorities, agencies and clients.

54.4 From the Effective Date and until the licenses, permits, quotas, approvals, incentives, subsidies, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, logos, tradename, brand, special status are transferred, vested, recorded, effected, and/or perfected, in the record of the Appropriate Authority, in favour of the Resulting Company, the Resulting Company is authorized to carry on business with the existing licenses, permits, quotas, approvals, logo, tradenames, brand etc as used in connection with the Demerged Undertaking, and under the relevant license and or permit and/or approval, as the case may be and the Resulting Company shall keep a record and/or account of such transactions.

55 VALIDITY OF EXISTING RESOLUTIONS, ETC.

55.1 Upon the coming into effect of the Scheme and with effect from the Demerger Appointed Date, the resolutions of the shareholders and the Board of Directors of Demerged Company, including resolutions of any committees authorized by and comprising inter alia of members of the Board of Directors of relevant Company housing the Demerged Undertaking, as are considered necessary by the Board of Directors of Resulting Company and which are validly subsisting, shall be considered as resolutions of Resulting Company.



55.2 With effect from the Effective Date, the security creation, borrowing and investment limits of the Resulting Company under the Act shall be deemed without any further act or deed to have been enhanced by the security creation, borrowing and investment limits of the relevant company housing the Demerged Undertaking, such limits being incremental to the existing limits of the Resulting Company.

55.3 Any corporate approvals obtained in relation to the Demerged Undertaking, whether for purposes of compliance or otherwise, shall stand transferred to the Resulting Company and such corporate approvals and compliance shall be deemed to have been obtained and complied with by the Resulting Company.

56 BUSINESS OF REMAINING UNDERTAKING OF THE DEMERGED COMPANY

56.1 Upon coming into effect of the Scheme and with effect from the Demerger Appointed Date, the business of Remaining Undertaking and all the assets, properties, rights, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company, and the Resulting Company shall have no right, claim or obligation in relation to the business of Remaining Undertaking of the Demerged Company and nothing in this Scheme shall operate to transfer any of the business of Remaining Undertaking to the Resulting Company or to make the Resulting Company liable for any of the Demerged Company's liabilities.

56.2 All legal, taxation and other proceedings of whatever nature (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company with respect to the Remaining Undertaking, under any statute, whether relating to the period prior to or after the Demerger Appointed Date and whether pending on the Demerger Appointed Date or which may be instituted in future, whether or not in respect of any matter arising before the Effective Date and relating to the respective Remaining Undertaking of the Demerged Company (including those relating to any property, right, power, liability, obligation or duty of the Demerged Company in respect of the Remaining Undertaking and any income tax related liabilities) shall be continued and enforced by or against the Demerged Company, as applicable, even after the Effective Date.

57 CANCELLATION OF SHARES AND REDUCTION OF SHARE CAPITAL:



- 57.1 Upon coming into effect of this Scheme, the equity shares held by the Demerged Company (including pursuant to coming into effect of Part – V of this Scheme) in the Resulting Company shall stand automatically cancelled with effect from the Effective Date without any further application, act or deed.
- 57.2 Upon the Scheme becoming effective, the issued, subscribed and paid-up share capital of Resulting Company, to the extent of the shares held by Demerged Company in Resulting Company, shall be automatically cancelled and reduced in terms of section 66 of the Act.
- 57.3 The said cancellation shall be deemed to result in reduction of capital under section 66 of the Act. However, since the aforesaid reduction is consequential and is proposed as an integral part of the Scheme, the Resulting Company shall not be required to undertake separate procedure under section 66 of the Act. Further, as the aforesaid reduction does not result in either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital, the provisions of section 66 of the Act shall not be Applicable. The order of MCA sanctioning the Scheme shall be deemed to be the Order under section 66 of the Act for the purpose of confirming reduction. Further, the Resulting Company shall not be required to add “and reduced” as a suffix to its name consequent upon such reduction.

58. CONSIDERATION

- 58.1 The Resulting Company shall, without any further application, act, instrument or deed, issue and allot to each shareholder of the Demerged Company whose name is recorded in the register of members of the Demerged Company on the Record Date 3, subject to clause 57 hereinabove, in the following Ratio (“**Share Entitlement Ratio**”):

“1 (one) fully paid equity shares of INR 10/- (INR Ten only) each of the Resulting Company for every 3 (three) fully paid equity share of INR 2/- (INR Two only) held by such shareholder in the Demerged Company.”

- 58.2 The Share Entitlement Ratio has been arrived at on basis of the joint valuation report prepared by Ernst & Young Merchant Banking Services LLP (IBBI registration number IBBI/RV-E/05/2021/155) and SSPA & Co., Chartered Accountants (IBBI registration number IBBI/RV-E/06/2020/126), being the Registered Valuers. A fairness opinion for the same has been obtained from Saffron



Capital Advisors Private Limited, a SEBI registered Category – I Merchant Banker. The said Valuation Report and Fairness Opinion have been duly considered by the Board of Directors of the Resulting Company and the Demerged Company.

- 58.3 The shares to be issued and allotted by the Resulting Company in terms of Clause 58.1 above shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company and shall rank pari passu in all respects with the existing shares of Resulting Company.
- 58.4 No fractional certificate(s) shall be issued by the Resulting Company in respect of any fractions which the equity shareholders of Demerged Company may be entitled to on issue and allotment of new equity shares pursuant to the Scheme. The Board of Directors of the Resulting Company shall instead, consolidate all such fractional entitlements and allot new equity shares in lieu thereof to a trust as the Board of Directors of Resulting Company shall appoint in this regard who shall hold the new equity shares in trust on behalf of the equity shareholders entitled to such fractional entitlements with express understanding that such trust shall sell such shares in the market at such price, within a period of 90 (ninety) days from the date of allotment of shares, and arrange for the net sale proceeds, after applicable deductions, to the equity shareholders entitled in proportion to their respective fractional entitlements. In case the number of such new shares to be allotted to the said trust by virtue of consolidation of fractional entitlements is a fraction, one additional equity share will be issued in the Resulting Company, subject to Applicable Laws. The equity shares that are to be issued in terms of this Scheme shall be issued in dematerialised form.
- 58.5 As mandated under the regulations framed by SEBI in this regard, the Resulting Company will issue shares pursuant to the Scheme only in electronic form and to the demat account of the respective shareholders. In the event of any shareholder failing to communicate their demat account details to the Resulting Company before the Record Date 3, the shares issued by the Resulting Company will be kept in a suspense account and will be credited to the demat account(s) of the respective shareholders, as and when such details are received.
- 58.6 The issue and allotment of shares by the Resulting Company to the equity shareholders of the Demerged Company as provided in this Scheme as an integral part thereof, shall be deemed to have been carried out without any further act or deed by Transferee Company as if the procedure laid down under Section 62(1)(c) of the Act and any other applicable provisions were duly complied with.



- 58.7 The equity shares issued by the Resulting Company shall be listed and admitted to trading on the Stock Exchanges i.e. NSE and BSE, pursuant to this Scheme and in compliance with the applicable regulations and the applicable SEBI circulars. The Resulting Company shall make all requisite applications and shall otherwise comply with the provisions of applicable SEBI circulars and other applicable provisions of Law and take all steps to procure the listing of the equity shares issued by it.
- 58.8 The equity shares issued by the Resulting Company, pursuant to this Part of the Scheme shall remain frozen in the depository system till listing/ trading permission is granted by the Stock Exchanges i.e. NSE and BSE.
- 58.9 If there are any pending transfers, whether lodged or outstanding, of any shareholders of the Demerged Company, the Board of Directors of the Resulting Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date 3, to effectuate such a transfer in the records of the Demerged Company, as if such changes in the registered holder were operative as on the Record Date 2, in order to remove any difficulties arising to the holder/ transferee of the shares in the Demerged Company and in relation to the equity shares to be issued by the Resulting Company after this Scheme becoming effective.
- 58.10 The shares to be issued and allotted by the Resulting Company to the shareholders of the Demerged Company shall be issued in dematerialized form.

59. ACCOUNTING TREATMENT

59.1 IN THE BOOKS OF THE DEMERGED COMPANY

Notwithstanding anything to the contrary contained herein, the Demerged Company shall give effect to the Demerger in its books of account in accordance with applicable accounting principles as prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as notified under Section 133 of the Companies Act, 2013, as may be amended from time to time in the books of accounts of the demerged company is as follows:

- 59.1.1 The Demerged Company shall de-recognize the carrying amounts of (i) the assets; and (ii) liabilities allocated to the Demerged Undertaking and being transferred to the Resulting Company pursuant to this Scheme.



59.1.2 The difference between (A) the carrying amount of assets, and (B) the carrying amount of liabilities being transferred from the Demerged Company pursuant to this Scheme after giving effect to Clause 59.1.1 shall be adjusted to the Retained Earnings of the Demerged Company.

59.2 IN THE BOOKS OF THE RESULTING COMPANY

Notwithstanding anything to the contrary contained herein, the Resulting Company shall account for the acquisition of the Demerged Undertaking in its books of account by applying the principles prescribed in Indian Accounting Standard 103, Business Combinations, Appendix C - Business combinations of entities under common control and other accounting principles as prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as notified under Section 133 of the Companies Act, 2013, and on the date determined in accordance with Ind AS, the Resulting Company shall account for acquisition of demerged undertaking as follows:

59.2.1 Upon coming into effect of this scheme, the Resulting Company shall recognise the assets and liabilities as well as the reserves of the Demerged Undertaking vested in it pursuant to this Scheme, at their respective carrying amounts as appearing in the books of the Demerged Company.

59.2.2 The identity of the reserves shall be preserved and shall appear in the financial statements of the Resulting Company in the same form in which they appeared in the financial statements of the Demerged Company.

59.2.3 The Resulting Company shall credit to its share capital and record the equity shares issued and allotted by it pursuant to Clause 58 of the scheme at face value.

59.2.4 The excess / deficit, if any, between the carrying amount of assets, liabilities and reserves as per Clause 59.2.1 above of the Demerged Undertaking acquired and the consideration discharged by way of the equity shares issued as per Clause 59.2.3 above to the shareholders of the Demerged Company in lieu of the Demerged Undertaking shall be adjusted to capital reserve in the books of Resulting Company.

59.2.5 The financial statements of the Resulting Company shall be restated in accordance with the requirements of Appendix C of Ind AS 103.



60. AUTHORISED SHARE CAPITAL MATTERS OF THE RESULTING COMPANY

- 60.1 In order to issue and allot equity shares as consideration under Clause 58 of this Scheme, the Resulting Company's authorised share capital shall be increased in the manner set out in this Clause to enable such issue and allotment, by following the applicable process under the Act, upon altering its Memorandum and Articles of Association (as required), filing requisite forms with the Registrar of Companies, and paying applicable fees and stamp duty.
- 60.2 For the avoidance of doubt, no portion of the authorised share capital of the Demerged Company shall be transferred or deemed to be transferred to the Resulting Company by virtue of this Scheme. The Demerged Company's authorised share capital shall remain unaltered as a result of Part VI of this Scheme.
- 60.3 It is clarified that the approval of the shareholders of the Resulting Company to the Scheme shall be deemed to be their consent / approval also to the consequential alteration of the Memorandum and Articles of Association of the Resulting Company and shall not be required to seek separate consent / approval of its shareholders for such alteration of the Memorandum and Articles of Association of the Resulting Company as required under Sections 13, 14, 16, 61, 62 and 64 of the Act and other applicable provisions of the Act.

61. WRONG POCKET ASSETS

- 61.1 No part of the Demerged Undertaking shall be retained by the Demerged Company after the Effective Date pursuant to the demerger. If any part of any of the Demerged Undertaking is not transferred to the Resulting Company on the Effective Date pursuant to the Demerger, the Demerged Company shall take such actions as may be reasonably required to ensure that such part of the relevant Demerged Undertaking, as the case may be is transferred to the Resulting Company promptly and for no further consideration. The Demerged Company shall bear all costs and expenses as may be required to be incurred by each of the Demerged Company or the Resulting Company, for giving effect to this Clause.
- 61.2 No part of the Remaining Undertaking shall be transferred to the Resulting Company pursuant to the demerger. If any part of the Remaining Undertaking is inadvertently held by the Resulting Company after the Effective Date, the Resulting Company shall take such actions as may be reasonably required to ensure that such part of the



Remaining Undertaking is transferred back to the Demerged Company, promptly and for no consideration. The Resulting Company shall bear all costs and expenses as may be required to be incurred by each of the Demerged Company or the Resulting Company for giving effect to this Clause.

61.3 If the Demerged Company realizes any amounts after the Effective Date that form part of the Demerged Undertaking, it shall immediately make payment of such amounts to the Resulting Company. It is clarified that all receivables relating to the Demerged Undertaking, for the period prior to the Effective Date, but received after the Effective Date, relates to the Demerged Undertaking shall be paid to the Resulting Company for no additional consideration. If the Resulting Company realizes any amounts after the Effective Date that pertains to the Remaining Undertaking, the Resulting Company shall immediately pay such amounts to the Demerged Company.



PART-VII – SECTION – A

ALTERATION TO
MEMORANDUM AND ARTICLES OF ASSOCIATION OF
TRANSFEREE COMPANY

62. CHANGE IN OBJECT CLAUSE OF MEMORANDUM OF ASSOCIATION OF TRANSFEREE COMPANY

62.1 With effect from the Amalgamation Appointed Date and upon the Scheme becoming effective, the main object clause of the Memorandum of Association of the Transferee Company shall be altered and amended, without any further act or deed, to include the objects as required for the purpose of carrying on the business activities of the Transferor Company 1, Transferor Company 2 and Transferor Company 3, pursuant to the provisions of Section 13 and 14 of the Act and other applicable provisions of the Act. Accordingly, the main object clause of the Memorandum of Association of the Transferee Company shall be altered and amended and necessary revision in the numbering of the clauses inserted shall be carried out. Following clauses shall be inserted to Clause III (A) of the Memorandum of Association of the Transferee Company

- i. *To engage in and/or carry out activities of and/or ancillary to exploration and production of Hydrocarbons, Mineral substances from Onshore and Offshore, in India and anywhere in the World, including sale (whether directly or through agency / franchisee) of petrol, diesel, bio-fuel as well as setting up electronic vehicle charging facilities as also to sale and deal in any and all alternate liquid and gaseous fuels including propane as also to deal in shipping activities including cargo handling etc. whether directly or through agents and franchisees etc. and to tap Oil and Gas Reserves/ Resources and other similar or allied substances, covering the entire range of petroleum and petroleum products, minerals and in general subsoil products and subsurface deposits of every nature and description, and the products or the byproducts which may be derived, produced, prepared, developed, compounded, made or manufactured therefrom and substances obtained by mixing with other substances and/ or to apply for and acquire directly or indirectly for exploration and production of Petroleum, Hydrocarbons, Minerals, Oil Gas by purchase, lease, hire or licence, exchange or otherwise petroleum, mineral rights, grants, concessions, lease, licences, claims, permits, holdings, tenements, claims, concessions or other similar rights, privileges interests from time to time.*
- ii. *To carry on, Sale, Purchase, Supply, Distribution, Transport, deal, Trade in Natural Gas, CNG, LNG & Other Gaseous Form through Pipelines, Trunks/Trains/Shipments/ Sea*



cargos or such other suitable mode for transportation/distribution of Natural Gas, CNG, LNG & Other Gaseous Form or otherwise to deal/trade through designated commodity/trading exchanges.

- iii. To plan, promote, organize, and implement programs for the efficient production and development of alternate sources of energy, including but not limited to hydrogen fuels, wind and solar energy, thermal energy, geothermal energy and nuclear energy and/or to carry on the business of purchase and sale thereof.
- iv. To function as agents, dealers, transporters, carriers, distributors, representatives of any company, government or statutory body or autonomous body exploring, producing, dealing in Oil & Gas and other Hydrocarbons and Minerals of any nature whatsoever or in the alternate sources of energy.”

63. CHANGE IN CAPITAL CLAUSE OF MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION OF THE TRANSFEREE COMPANY

Notwithstanding anything contained in the Scheme to the contrary and upon the Scheme coming into effect, the Capital Clause of Memorandum of Association and Articles of Association of the Transferee Company shall stand amended as follows:

- 63.1 Upon consummation of amalgamation and arrangement / demerger envisaged in Parts III to VI which contain provisions for increase in Authorized Capital of the Transferee Company for the purpose of relevant Parts and resultant alteration in the capital clause of the Memorandum of Association and Articles of Association (if required) of the Transferee Company, it is clarified that as a result of the said increase in the Authorized Capital of the Transferee Company, upon the Scheme becoming effective, the capital clause of the Memorandum of Association and Articles of Association (if required) of the Transferee Company shall stand finally replaced, altered and amended, without any further act or deed, pursuant to the provisions of Section 13 and 14 of the Act and other applicable provisions of the Act as follows:

“The Authorised share capital of the Company is Rs. 36,72,10,00,000 (Rupees Thirty Six Hundred and Seventh-Two Crore and Ten Lakh only) divided into 18,25,05,00,000 (Eighteen Hundred Twenty-Five Crore Five Lakh only) Equity shares of Rs.2/- each, 1,70,00,000 (One crore Seventy Lakh only) 7.5% Redeemable Preference Shares of Rs.10/- each and 50,00,000 (Fifty Lakh only) Preference Shares of Rs.10/- each.”



63.2 For the purpose of amendment in the Memorandum of Association and Articles of Association (if required) of the Transferee Company as provided in this Clause, the consent/approval given by the members of the Transferee Company to this Scheme pursuant to Section 230 to 232 of the Act and any other applicable provisions of the Act shall be deemed to be sufficient and no further resolution of members of the Transferee Company as required under the provisions of Sections 13 and 14 of the Act and any other applicable provisions of the Act shall be required to be passed for making such change/amendment in the Memorandum of Association and Articles of Association (if required) of the Transferee Company and filing of the certified copy of this Scheme as sanctioned by the MCA, in terms of Section 230 to 232 of the Act and any other applicable provisions of the Act, together with the order of the Court and a printed copy of the Memorandum of Association and Articles of Association (if required) for the purpose of the said Sections 13, 14 and all other applicable provisions of the Act and the Registrar of Companies shall register the same and make the necessary alteration in the Memorandum of Association and Articles of Association (if required) of the Transferee Company accordingly and shall certify the registration thereof in accordance with the provisions of Sections 13 and 14 and any other provisions of the Act.

63.3 The Transferee Company shall file with the Registrar of Companies all requisite forms and complete the compliance and procedural requirements under the Act, if any.

64. CHANGE OF NAME CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE TRANSFEE COMPANY

64.1 Upon this Scheme becoming effective, without any further act, instrument or deed, the name of the Transferee Company shall be changed to "Gujarat Energy Limited", or such other name as may be available to the Company by MCA upon approval of the Board of Directors of the Transferee Company. For the purpose of amendment in the Memorandum of Association and Articles of Association of the Transferee Company as provided in this Clause, the consent/approval given by the members of the Transferee Company to this Scheme pursuant to Section 230 to 232 of the Act and any other applicable provisions of the Act shall be deemed to be sufficient and no further resolution of members of the Transferee Company as required under the provisions of Sections 13 and 14 of the Act and any other applicable provisions of the Act shall be required to be passed for making such change/amendment in the Memorandum of Association & Articles of Association of the Transferee Company and filing of the certified copy of this Scheme as sanctioned by the MCA, in terms of



Section 230 to 232 of the Act and any other applicable provisions of the Act, together with the order of the Court and a printed copy of the Memorandum of Association and Articles of Association for the purpose of the Sections 4, 13, 14 and all other applicable provisions of the Act and the Registrar of Companies shall register the same and make the necessary alteration in the Memorandum of Association and Articles of Association of the Transferee Company accordingly and shall certify the registration thereof in accordance with the provisions of Sections 4, 13 and 14 and any other provisions of the Act.

65. CHANGE IN ARTICLES OF ASSOCIATION OF TRANSFEEE COMPANY / DEMERGED COMPANY

65.1 The Articles of Association of the Transferee Company / Demerged Company are required to be altered so as to align the same with prevailing provisions of the Act and the Articles of Association of the Transferor Companies / Resulting Company. The Articles of Association of Resulting Company have been prepared in accordance with the prevailing provisions of the Act. Therefore, upon this Scheme becoming effective, the Articles of Association of the Transferee Company / Demerged Company shall be altered, amended, and shall stand replaced by the new Articles of Association (aligned with the prevailing provisions of the Act and Articles of Association of Resulting Company) as annexed to this Scheme as **Schedule – 1** without any further act or deed.

65.2 For the purpose of amendment in the Articles of Association of the Transferee Company / Demerged Company as provided in this Clause, the consent/approval given by the members of the Transferee Company / Demerged Company to this Scheme pursuant to Section 230 to 232 of the Act and any other applicable provisions of the Act shall be deemed to be sufficient and no further resolution of members of the Transferee Company / Demerged Company as required under the provisions of Sections 13 and 14 of the Act and any other applicable provisions of the Act shall be required to be passed for making such change/amendment in the Articles of Association of the Transferee Company / Demerged Company. Upon filing of the certified copy of this Scheme as sanctioned by the MCA, in terms of Section 230 to 232 of the Act and any other applicable provisions of the Act, together with the order of the MCA and a printed copy of the Articles of Association for the purpose of the said Sections 13, 14 and all other applicable provisions of the Act, the Registrar of Companies shall register the same and make the necessary alteration in the Articles of Association of the Transferee Company / Demerged Company accordingly and shall certify the registration thereof in accordance with the provisions of Sections 13 and 14 and any other provisions of the Act.



- 65.3 The Transferee Company / Demerged Company shall file with the Registrar of Companies all requisite forms and complete the compliance and procedural requirements under the Act, if any.

PART-VII – SECTION – B
GENERAL TERMS AND CONDITIONS

The following provisions of Part VII Section B shall be applicable to Part-III, IV, V and VI of the Scheme

66. Upon this Scheme becoming effective, the Transferee Company / Demerged Company shall have the discretion to reopen its books of accounts for such financial year as may be required to give effect of the Scheme. The Transferee Company (post amalgamation/ arrangement) is expressly permitted to revise its financial statements, if required to give effect to the provisions of this Scheme. The order of the MCA sanctioning the Scheme shall be deemed to be an order of MCA permitting the Transferee Company to revise its financial statements and books of accounts and no further act shall be required to be undertaken by the Transferee Company. The Transferee Company is expressly permitted to file or revise its corporate income tax, TDS, wealth tax, service tax, excise, VAT, entry tax, professional tax or any other statutory returns, statements or documents, credit for advance tax paid, tax deducted at source, claims, credit of foreign taxes paid/ withheld etc., if any, pertaining to the Transferor Companies upon this Scheme becoming effective, and where necessary to give effect to this Scheme. The taxes or duties paid by, for, or on behalf of, the Transferor Companies relating to the period on or after Appointed Date shall be deemed to be the taxes or duties paid by the Transferee Company and the Transferee Company shall be entitled to claim credit or refund for such taxes or duties.

67. SHARES HELD IN PHYSICAL FORM

The shareholders who hold shares in physical form should provide the requisite details relating to their account with a depository participant or other confirmations as may be required, to their respective Companies for issuance of the shares. In case the shareholders for whom such details are not available with the respective Companies and in case of the shareholders who hold equity shares in physical form, the Transferee Company and/or Resulting Company shall deal with the issuance of the relevant new shares in such manner as may be permissible under the Applicable Law, including by way of issuing the said new shares in dematerialised form to a demat account held by a trustee nominated by the Board of the Transferee Company and/or Resulting Company or into an escrow account opened by the Transferee Company and/or Resulting Company or an escrow agent nominated by Transferee Company and/or Resulting



Company, with a depository, as determined by the Board of the Transferee Company and/or Resulting Company, where such new shares of the Transferee Company and/or Resulting Company shall be held for the benefit of such shareholders (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title). The new shares so held in such trustee's account or escrow account, as the case may be, shall be transferred to the respective shareholders once such shareholder provides details of their demat account to Transferee Company and/or Resulting Company, along with such documents as may be required by the Transferee Company and/or Resulting Company. The respective shareholders shall have all the rights of the shareholders of the Transferee Company and/or Resulting Company, including the right to receive dividend, voting rights and other corporate benefits, pending such transfer of the said new shares from the said trustee's account or the escrow account, as the case may be.

68. INCIDENTAL AND ANCILLARY PROVISIONS

- 68.1 The Transferor Companies, Demerged Company, Resulting Company and the Transferee Company respectively shall obtain the requisite consents, approval or permission of any authority as may be required or which by law may be necessary.
- 68.2 The Companies shall, with reasonable dispatch, make respective applications to MCA under Sections 230 to 232 and other applicable provisions of the Act, seeking necessary orders or directions for convening, holding and/or conducting meetings of the classes of their respective shareholders and creditors, and/or dispensing with the same, and for sanctioning this Composite Scheme of Arrangement and Amalgamation with such modifications, as may be approved by the MCA.
- 68.3 Upon this Scheme being approved by the requisite majority of the shareholders of the Companies (wherever required), the Companies shall, with all reasonable dispatch, file respective petitions before the MCA for sanction of the Scheme under sections 230 to 232 and other applicable provisions of the Act, and for such other Order, as the MCA may deem fit for carrying the Scheme into effect. Upon this Scheme being approved by the requisite majority of the shareholders of the Companies, the shareholders shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in the Scheme.
- 68.4 Any change in control of the Transferee Company within the meaning of the SEBI (Substantial Acquisition of Shares and Takeovers), Regulations, 2011, as a result of



the Scheme taking effect, shall be covered under the General Exemptions set out in Regulation 10 of the said Regulations.

69. MODIFICATIONS/ AMENDMENTS TO THE SCHEME

69.1 The Transferor Companies, Demerged Company, Resulting Company and the Transferee Company, through their respective Board of Directors including Committees of Directors or other persons, duly authorized by the respective Boards in this regard, may make, or assent to, any alteration or modification to this Scheme to any conditions or limitations, which the MCA or any other Appropriate Authority may deem fit to direct, approve or impose and may give such directions as they may consider necessary, or otherwise, or to settle any doubt, question or difficulty, arising under the Scheme or in regard to its implementation or in any manner connected therewith and to do and to execute all such acts, deeds, matters and things necessary for putting this Scheme into effect, or to review the portion relating to the satisfaction of the conditions to this Scheme and if necessary, to waive any of those (to the extent permitted under law) for bringing this Scheme into effect.

69.2 If any part or provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Companies, affect the validity of implementation of the other parts and/or provisions of the Scheme. If a Part or provision of this Scheme hereof is invalid, ruled illegal by MCA, , then it is the discretion of the Companies that such Part or provision, as the case may be, shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such Part or provision, as the case may be, shall cause this Scheme to become materially adverse to any Company, in which case the Companies shall attempt to bring about a modification in the Scheme, as will best preserve for the Companies the benefits and obligations of the Scheme, including but not limited to such Part or provision.

70. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

This Scheme is conditional on and subject to satisfaction or waiver of following requirements (the Scheme will be effective when the last of the following requirements is achieved or waived as the case may be)

70.1 Obtaining observation letter or no-objection letter from the Stock Exchanges in respect of the Scheme, pursuant to Regulation 37 and 39 of the SEBI LODR Regulations read with SEBI Master Circular.



- 70.2 The Scheme being approved by the shareholders and/or creditors (where applicable) of the Transferor Companies, Demerged Company, the Transferee Company and the Resulting Company (by way of e-voting or otherwise) as may be directed by MCA, and in manner as required under the Act, the SEBI Master Circular and any other Applicable Law. It is clarified that the scheme is conditional upon scheme being approved by the public shareholders through e-voting in terms of Part – I (A)(10)(b) of SEBI Master Circular and the scheme shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.
- 70.3 Order from the Ministry of Corporate Affairs under the provisions of Section 230 read with Section 232 of the Act being obtained by the Transferor Companies, Demerged Company/the Transferee Company and the Resulting Company.
- 70.4 The filing of certified copies of the MCA order sanctioning the Scheme with the Registrar of Companies having jurisdiction over the Transferor Companies, Demerged Company, Resulting Company and the Transferee Company.
- 70.5 Receipt of requisite consent, approval or permission from other relevant regulatory authority, if required under Applicable Law.

71. SEQUENCING OF THE SCHEME

The Scheme set out herein in its present form or with any modification(s) approved or directed by the MCA or any other relevant authority shall take effect as follows:

- 71.1 Clause 17 to 19 (including their sub-clauses) of Part III of the Scheme shall be given effect to and operate on the Effective Date, but with effect from the Amalgamation Appointed Date, and shall be deemed to have taken effect prior to the remainder of Part III of the Scheme;
- 71.2 After giving effect to Clause 17 to 19 (including their sub-clauses) of Part III of the Scheme, the remainder of Part-III of the Scheme will be given effect to and operate on the Effective Date, but with effect from the Amalgamation Appointed Date, and shall be deemed to have taken effect prior to the Part IV, V and VI of the Scheme;



71.3 Part-IV and V of the Scheme will be given effect to and operate on the Effective Date, but with effect from the Amalgamation Appointed Date, and shall be deemed to have taken effect after Part III but prior to the Part- VI of the Scheme;

71.4 Part-VI of the Scheme will be given effect to and operate on the Effective Date, but with effect from the Demerger Appointed Date, and shall be deemed to have taken effect after Part III, IV and V of the Scheme.

72. REVOCATION AND WITHDRAWAL OF THE SCHEME

The Board of Directors of the Transferor Companies, Demerged Company, Resulting Company and the Transferee Company shall be jointly entitled to revoke, cancel, withdraw and declare this Scheme to be of no effect at any stage and where applicable, re-file, at any stage in case (a) this Scheme is not approved by the majority of the shareholders of the respective Transferor Companies, Demerged Company, and/or the Resulting Company and/or the Transferee Company and/or the MCA or if any other consents, approvals, permissions, etc. from any regulatory authority if required under Applicable Law for giving effect to this Scheme are not received or delayed; (b) any condition or modification imposed by the shareholders of the Transferor Companies and/or the Demerged Company and/or the Resulting Company and/or the Transferee Company, or the MCA or any other authority is not acceptable; (c) the coming into effect of this Scheme in terms of the provisions hereof or filing of the orders with any Appropriate Authority could have adverse implication on any of the Transferor Companies and/or the Demerged Company and/or the Resulting Company and/or the Transferee Company; or (d) for any other reason whatsoever, including inter alia, the non-receipt of any mandatorily required approvals as may be required and do all such acts, deeds, things, as they may deem necessary and desirable in connection therewith and incidental thereto. On revocation, cancellation or withdrawal, this Scheme shall stand revoked, cancelled or withdrawn and be of no effect and in that event, no rights and liabilities whatsoever shall accrue or be incurred inter-se between the Transferor Companies, the Demerged Company, the Resulting Company and the Transferee Company, or their respective shareholders or employees or any other person.

73. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges, levies, fees, duties (including stamp duty on the order of the MCA) and expenses in relation to or in connection with the Scheme shall be borne and paid by the Transferee Company. The expenses incurred by the Transferee Company as per the terms and conditions of this Scheme, including stamp duty expenses, if any, shall be allowed as deduction



in accordance with section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.



SCHEDULE – 1
Articles of Association of Transferee Company
As Replaced / Altered Pursuant to this Scheme
(Refer Clause 65)

THE COMPANIES ACT, 2013
PUBLIC COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
GUJARAT GAS LIMITED
(Incorporated under the Companies Act, 1956)

I. Interpretation

a) Table F to apply:

The regulations contained in Table F, in Schedule I to the Companies Act, 2013, shall apply to the Company except in so far as the same are expressly or impliedly excluded or inapplicable to the Company by the regulations contained herein or by any special resolution of the Company or otherwise.

b) Exemptions of Government Company:

The exemptions available to a Government Company from the provisions of the Companies Act, 2013 and any other law(s) as in force shall be available to the Company so long as it is a Government Company. Such exemptions can be availed by the Company notwithstanding anything to the contrary contained in these Articles of Association.

c) Notwithstanding anything contained herein, so long as the securities of the Company are Listed on recognised Stock Exchanges, the provisions prescribed by SEBI with respect to issuance, transfer, transmission etc. shall apply.

In these regulations

(A) “The Act” means the Companies Act, 2013

(B) “The seal” means the common seal of the company.

(C) “Auditors” means and includes the persons appointed as such for the time being of the Company.



- (D) "Bye-laws" means the Bye-laws which may be made by the Board of Directors of the Company under these Articles and which may for the time being in force.
- (E) "Capital" means the capital for the time being raised for the purpose of the Company.
- (F) "The Chairman" means the Chairman of the Board of Directors for the time being of the Company.
- (G) "The Company or This Company" means the company as mentioned in the Name Clause of Memorandum of Association.
- (H) "Gender" means words importing the masculine gender also include the feminine gender.
- (I) "The marginal notes" hereto shall not affect the construction hereof.
- (J) "Month" means a calendar month.
- (K) "Office" means the registered office for the time being of the Company.
- (L) "The Company's Regulations" means the regulations for the time being in force for the management of the Company.
- (M) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.
- (N) Singular Number Words importing the singular number include where the context admits or requires the plural number and vice versa.
- (O) Expressions in the Act to bear the same meaning in Articles unless the context otherwise requires words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

II. Share capital and variation of rights

1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2. (A) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation in case of subscribers to the memorandum or



after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided one certificate for all his shares without payment of any charges or several certificates each for one or more of his shares upon payment of twenty rupees for each certificate after the first. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid - up thereon. In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

(B) Shares to be numbered progressively and no share to be sub - divided:

The Shares in the capital shall be numbered progressively according to the several denominations and except in the manner herein before mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.



(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourth of the issued shares of that class, or with the sanction of Shareholders passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an shareholders approval, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by Shareholders approval, determine.

Lien

9. (i) The company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.



10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Calls on shares

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.



15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

19.(i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

21. The Board may decline to recognise any instrument of transfer unless—



(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.



(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

27. Not Applicable

Forfeiture of shares

28. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

29. The notice aforesaid shall—

- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

30. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

31. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.



(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

32. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

33. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

34. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

35. The company may, from time to time, by shareholders' approval increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

36. Subject to the provisions of section 61, the company may, by shareholders' approval,—

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;



- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

37. Where shares are converted into stock,—

- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

- (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stockholder” respectively.

38. The company may, by Shareholders approval, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.

Capitalisation of profits

39. (i) The company in general meeting may, upon the recommendation of the Board, resolve—



(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

40. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of



their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

41. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

General meetings

42. All general meetings other than annual general meeting shall be called extraordinary general meeting.

43. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

44. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

45. The chairman, if any, of the Board shall preside as Chairman at every general meeting of the company.

46. If there is no such Chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairman of the meeting, the Directors present shall elect one of their members to be Chairman of the meeting.

47. If at any meeting no director is willing to act as Chairman or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairman of the meeting.

48. Not Applicable

Adjournment of meeting



49. (i) The Chairman may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

50. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

52. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

53. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

54. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

55. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

56. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.



(ii) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

Proxy

57. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

59. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Board of Directors

60. (A) Number of Directors:

Unless otherwise determined by the Company in a general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (fifteen) or such other maximum number fixed by the Act from time to time.

(B) Power to Appoint Directors:

Subject to the provisions of the Act so long as Government of Gujarat (GoG) singly and /or along with the State Government Owned Entities and /or State PSU(s) and /or State Sectors Entities holds not less than 26 percent in the shares capital of the Company directly or indirectly through its subsidiaries or associates, Government of Gujarat (GoG) shall be entitled to nominate and appoint majority of the directors on the Board of Directors of the Company. Such Directors not exceeding one third of total number of



directors shall not be liable to retire by rotation. Each such permanent director shall hold office until he is either removed from the office or another person nominated or appointed in his place or until he vacates the office by resignation or otherwise.

(C) Managing Director:

Subject to the provisions of Section 2(94), 196, 203 and other applicable provisions of the Companies Act, 2013 so long as Government of Gujarat (GoG) singly and /or along with the State Government Owned Entities and /or State PSU(s) and /or State Sectors Entities holds not less than 26 percent in share capital of the Company directly or indirectly through its subsidiaries or associates the nominee of Government of Gujarat (GoG) shall be the Managing Director of the Company.

So long as Government of Gujarat (GoG) singly and /or along with the State Government Owned Entities and /or State PSU(s) and /or State Sectors Entities holds not less than 26 percent in share capital of the Company directly or indirectly through its subsidiaries or associates its Board shall have right to determine the term and remuneration of the Managing Director from time to time. Managing Director (subject to the provisions of any contract between him and the Company) shall be subject to the same provisions as to resignation and removal as the other Directors and shall ipso facto and immediately cease to be the Managing Director if he ceases to hold the office of Director for any cause and subject to provisions of the Act, shall not be liable to retire by rotation.

(D) Additional Director, Alternate Director and Nominee Director:

Subject to the provisions of the Section 161 or other applicable provisions of the Act for the time being in force the Board of Directors have a power to appoint any person other than a person who fails to get appointed as a director in a general meeting as an additional director at any time who shall hold office upto the date of the next annual general meeting or the last date on which the annual general meeting should have been held whichever is earlier.

Subject to the provisions of the Section 161 or other applicable provisions of the Act for the time being in force the Board of Directors of a company may subject to a



resolution passed by the company in general meeting appoint a person not being a person holding any alternate directorship for any other director in the company or holding directorship in the same company to act as an alternate director for a director during his absence for a period of not less than three months from India Provided that no person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of this Act.

Provided further that an alternate director shall not hold office for a period longer than that permissible to the director in whose place he has been appointed and shall vacate the office if and when the director in whose place he has been appointed returns to India

Provided also that if the term of office of the original director is determined before he so returns to India any provision for the automatic re-appointment of retiring directors in default of another appointment shall apply to the original and not to the alternate director.

Subject to the Section161 of the Act the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government company.

if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course the resulting casual vacancy may subject to provisions of the Act be filled by the Board of Directors at a meeting of the Board which shall be subsequently approved by members in the immediate next general meeting. Provided that any person so appointed shall hold office only upto the date up to which the director in whose place he is appointed would have held office if it had not been vacated.

(E) Independent Director

The Company may appoint one or more persons to be Independent Director on the Board of the Company. The eligibility criteria, qualification, roles & responsibilities, remuneration and others term of appointment shall be subject to applicable provisions



of the Companies Act, SEBI guidelines, rules and regulations, and other applicable laws, provided that Company may appoint any person to be Independent Director for maximum of two consecutive terms with each term consisting of consecutive period upto three years. The person shall be eligible for appointment as an independent director after the expiration of three years of ceasing to become an independent director on the Board of the company.

61. (i) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

62. **Sitting Fees**

Every Director shall be paid such sum as the Board of Directors may from time to time determine for attending every meeting of the Board or any Committee of the Board, subject to the ceiling prescribed under the Act, Rules and other applicable laws.

63. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

64. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

65. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

66. **(A) Appointment of Director:**



Subject to the provisions of section 149 the Board shall have power at any time and from time to time to appoint a person as an additional director. Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

(B) Resignation of Director:

Subject to provisions of the Act, a director may resign from his office by giving a notice in writing to the company at the registered office of the Company and the Board shall on receipt of such notice take note of the same and the company shall intimate the Registrar in such manner within such time and in such form as may be prescribed and shall also place the fact of such resignation in the report of directors laid in the immediately following general meeting by the company

Proceedings of the Board

67. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

68. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairman of the Board, if any, shall have a second or casting vote.

69. The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

70. Chairman:

Subject to the provisions of the Article 60(B) so long as Government of Gujarat (GoG) singly and /or along with the State Government Owned Entities and /or State PSU(s)



and /or State Sectors Entities holds not less than 26 percent share capital of the Company directly or indirectly through its subsidiaries or associates, the Chairman of the Board shall be nominated by Government of Gujarat (GoG) from time to time.

If no such Chairman is nominated/appointed or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of them to be Chairman of the meeting.

71(i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

72. (i) A committee may elect a Chairman of its meetings.

(ii) If no such Chairman is elected, or if at any meeting the Chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairman of the meeting.

73. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairman shall have a second or casting vote.

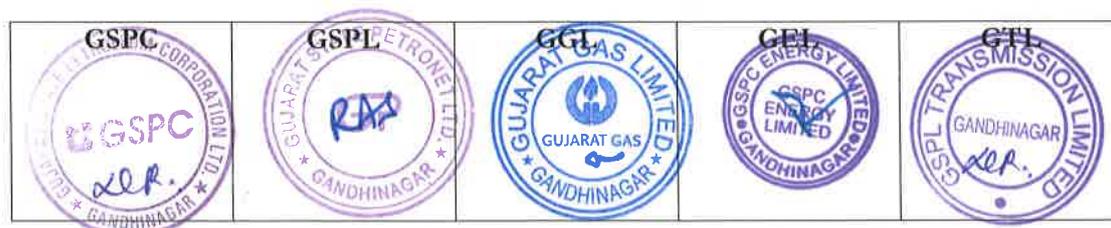
74. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

75. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

76. Not Applicable

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

77. Subject to the provisions of the Act,—



- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

78. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

The Seal

79. (i) The Board shall provide for the safe custody of the seal.
- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two Directors and of the secretary or such other person as the Board may appoint for the purpose; and those two Directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

80. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
81. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
82. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.



(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

83. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

84. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

85. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

86. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

87. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

88. No dividend shall bear interest against the company.

Accounts



89. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being Directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Winding up

90. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the company shall be wound up, the liquidator may, with the sanction of Shareholders of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

91. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

91. (A) Copies of Memorandum and Articles of Association to be sent to members :

The Company shall subject to the payment of Rs. 2 per page or such higher fees prescribed under the Act or its statutory modification for the time being in force on being so required by a member send to him within seven days of the requirement a copy of each of the following documents as in force for the time being.

(1) The Memorandum

(2) The Articles and



(3) every agreement and every resolution referred to in sub-section (1) of section 117 if and in so far as they have not been embodied in the memorandum or articles.

(B) Inspection by members :

The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors. No member (not being a Director) shall have any right of inspecting any account books or documents of the Company except as allowed by law or authorized by the Board or the Company in general meeting.

(C) Inspection of Registers and Returns :

The Registers and returns mentioned in the Act shall be open to inspection for:

1. all security holders without payment of any fees and
2. any other person on payment of Rs. 50 for each inspection

or such other charges as may be decided by the Board of Directors of the Company from time to time subject to permissible limits under the Act. The Company shall give inspection of above Registers to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act and subject to such reasonable restrictions as may be imposed, if any in general meeting from time to time in this regard.

Any member of the Company or any person may require a copy of any such register or return on payment of Rs. 10 for each page or such other charges may be decided by the Board of Directors of the Company from time to time subject to permissible limits under the Act.

(D) Inspection of Minute Book of General Meetings :

The books containing the minutes of the proceedings of any general meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may be consistent with the provisions of the Act or as may be determined by the Company in General Meetings. The members will also be entitled to be furnished with copies thereof on payment of Rs.10 per page or such other charges may be decided by the Board of Directors of the Company from time to time subject to permissible limits under the Act. Any member of the Company shall be entitled to be furnished within seven days after he had made a request in that behalf to the Company with a copy of any minutes on payment of above referred fees.

(E) Custody of instrument :



If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meeting of the Company it shall remain permanently or for such time as the Directors may determine in the custody of the Company. If embracing other objects copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.

(F) Right of Government of Gujarat :

Notwithstanding anything contained in any of these Articles the Government of Gujarat may from time to time issue such directions or instructions as it may consider necessary in regard to the finance and business affairs of the Company and in like manner may vary an annual any such directions or instructions. The Company and its Directors shall duly comply with and give immediate effect to the directions or instructions so issued. In particular the Government of Gujarat shall have powers

- (1) to call such returns accounts and other information with respect to property and activities of the Company as may be required from time to time
- (2) to approve the Company s Five Year and Annual plans of Development and the Capital Budget(c) to approve appointments extensions in service and re-employment in the higher categories of posts in a grade of Rs. 2500- and above of those who have already attained the age of 58 years whether they be from private or public sector.

(G) State Government to direct audit by the Comptroller and Auditor General of India or its nominee :

If and so long as the Company is a Government Company under meaning of Section 2 (45) of the Act for the time being it shall be lawful for the State Government to direct the Company to have its accounts for the year or years specified in such director audited by the Comptroller and Auditor General of India and it shall be duty of the Company to abide by the and comply with such direction.

(H) Secrecy clause :

Every Director Manager Auditor Treasurer Trustee Member of a Committee Officer Servant Agent Accountant or other person employed in the business of the Company shall if so required by the Directors before entering upon his duties sign a declaration pledging himself to observe a strict secrecy respecting all transactions and affairs of the Company with the customers and the state of



the accounts with individuals and in matters there to and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

(I) No member to enter the premises of the Company without permission:

No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Directors or Managing Director or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret mystery of trade secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Director it would be inexpedient in the interest of the Company to disclose.

(J) Dematerialisation of Securities :

(1) For the purpose of this Article:

“**Beneficial Owner**” means a person or persons whose name is recorded as such with a depository;

“**SEBI**” means Securities Exchange Board of India

“**Depository**” means a depository as defined in clause (e) of sub-section (1) of section 2 of the Depositories Act, 1996 (22 of 1996);

(2) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996. Securities of the Company can be held in Physical form or Dematerialized form as permitted by law from time to time.

(3) Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of the depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall in the manner and within the time prescribed issue to the Beneficial Owner the required certificates of securities. If a person opts to hold his security with a depository the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.



- (4) All securities held by a depository shall be dematerialized and shall be in a fungible form.
- (5) Notwithstanding anything to the contrary contained in the Act, or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owners.
- (6) Save as otherwise provided in e. above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- (7) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.
- (8) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.
- (9) Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.
- (10) Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company, shall intimate the details thereof to the depository immediately on allotment of such securities.
- (11) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.
- (12) The Register of Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purpose of these Articles.
- (13) In respect of shares issued by the Company in dematerialize form, the provisions of Depositories Act, 1996, Rules, Regulations and other applicable requirements made thereunder shall be applicable notwithstanding anything to the contrary contained in these Articles of Association.

K) Nomination Facility :



(1) Every holder of securities of a company may, at any time, nominate, in the prescribed manner, any person to whom his securities shall vest in the event of his death.

(2) Where the securities of a company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, any person to whom all the rights in the securities shall vest in the event of death of all the joint holders.

(3) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the securities of a company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the securities of the company, the nominee shall, on the death of the holder of securities or, as the case may be, on the death of the joint holders, become entitled to all the rights in the securities, of the holder or, as the case may be, of all the joint holders, in relation to such securities, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.

(4) Where the nominee is a minor, it shall be lawful for the holder of the securities, making the nomination to appoint, in the prescribed manner, any person to become entitled to the securities of the company, in the event of the death of the nominee during his minority.

(5) Any person who becomes a nominee by virtue of the provisions of Section 72 upon the production of such evidence as may be required by the Board and subject as hereinafter provided elect either

(i) to register himself as holder of the securities ; or

(ii) to transfer the securities, as the deceased holder could have done.

(6) If the person being a nominee, so becoming entitled, elects to be registered as holder of the securities himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased share or debenture holder(s).

(7) All the limitations, restrictions and provisions of the Act relating to the right to transfer and the registration of transfers of securities shall be applicable to any such notice or transfer as aforesaid as if the death of the share or debenture holder had not occurred and the notice or transfer were a transfer signed by that shareholder or debenture holder, as the case may be.

(8) A person, being a nominee, becoming entitled to any securities by reason of the death of the holder shall be entitled to the same dividends or interests and other advantages to which he would



have been entitled to if he were the registered holder of the securities except that he shall not, before being registered as a holder in respect of such securities, be entitled in respect of these securities to exercise any right conferred by the membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the securities, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends or interests, bonuses or other moneys payable in respect of the securities, as the case may be, until the requirements of the notice have been complied with.

(9) A Depository may in terms of Act at any time, make a nomination and above provision shall as far as may be, apply to the nomination made under the Act.

(L) General Authority:

Wherever in the Companies Act, 2013 it has been provided that the Company shall have any right, privilege or authority or that Company cannot carry out any transaction unless the Company is so authorized by its articles then in that case, Articles hereby authorized and empower the Company to have such rights, privileges or Authority and to carry out such transaction as have been permitted by the Companies Act, 2013.

