

SCHEME OF AMALGAMATION

UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013

BETWEEN

**PIPL MANAGEMENT CONSULTANCY AND
INVESTMENT PRIVATE LIMITED : AMALGAMATING COMPANY 1**

AND

**GLOBAL CONSULTANCY AND INVESTMENT AMALGAMATING COMPANY 2
PRIVATE LIMITED:**

AND

**NIIT LIMITED : AMALGAMATED
COMPANY**

AND

THEIR RESPECTIVE SHAREHOLDERS

AND

THEIR RESPECTIVE CREDITORS



PART I

INTRODUCTION, DEFINITIONS AND INTERPRETATION

1. INTRODUCTION, DEFINITIONS AND INTERPRETATION

1.1 Introduction

1.1.1 NIIT LIMITED

- (i) NIIT Limited (hereinafter referred to as the "NIIT" or "Amalgamated Company") having CIN L74899DL1981PLC015865, was initially incorporated as a private company under the Companies Act, 1956 on December 2, 1981 and was changed to public limited company *vide* fresh certificate of incorporation dated November 16, 1990 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. The Amalgamated Company has its registered office at 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi.
- (ii) The shares of the Amalgamated Company are, at present, listed on the Stock Exchanges.
- (iii) The main objects of the Amalgamated Company as per its memorandum of association are as follows:
 - 1) *To carry on the business of rendering management services like staff and management recruitment, skill development, training and placements, technical analysis of data, electronic data processing and to establish and render all consultancy and other professional services of professional and technical nature.*
 - 2) *To run and conduct bureau for computer services and in particular to develop, design, programme, conduct feasibility studies and also to acquire and agency for computers, their repair, maintenance and installation.*
 - 3) *To print, publish, distribute, import, export, sell, buy or otherwise deal in research reports, newsletters, books, pamphlets and other related publications relating to computers and electronics in general.*
 - 4) *To carry on the business of providing and supply of end-to-end Information Technology Solutions, including turnkey solutions, including systems integration of software, computers, peripherals, networking and communication components, cabling, power supply equipment, appropriate fixtures, metering and monitoring devices, conventional and broad-band wireless, wireline and optical communications equipment and to undertake all other related activities.*



- 5) *To carry on the business of providing solutions and services related to Web-technologies, the Internet and e-Commerce, including but not limited to hosting and application services.*
- (iv) The Amalgamated Company is a global leader in skills and talent development, offers multi-disciplinary learning management and training delivery solutions to corporations, institutions, and individuals in over 40 countries. Amalgamated Company has three main lines of business across the globe- Corporate Learning Group, Skills and Careers Group, and School Learning Group.
- a) **Corporate Learning Group (CLG)** offers Managed Training Services (MTS) to market-leading companies in North America, Europe, Asia, and Oceania. The comprehensive suite of MTS includes custom curriculum design and content development, learning administration, learning delivery, strategic sourcing, learning technology, and advisory services.
- b) **Skills and Careers Group (SNC)** delivers a diverse range of learning and talent development programs to millions of individual and corporate learners in areas including banking, finance & insurance, retail sales enablement, management education, multi-sectoral vocational skills, digital media marketing, and programs in digital transformation technologies. These programs are delivered through a hybrid combination of the 'Cloud Campus' online platform, satellite-based 'Synchronous Learning Technology' and a physical network of hundreds of learning centers in India, China, and select markets in Asia & Africa. The flagship multi-disciplinary course offerings include the industry-endorsed GNIIT – Digital Transformation program and a set of **DigiNxt** Programs for students from different streams, apart from a wide range of specialist short duration programs. The **Training.com** learning platform, is an NIIT initiative for advanced career programs, which are delivered live by industry experts in an immersive and interactive online mode, combining instructor-led classrooms with the convenience of accessing the training sessions from anywhere. NIIT has also introduced - **StackRoute™**, an initiative to produce the world's best full stack programmers.
- c) **School Learning Group (SLG)**, for its K-12 school learning initiative, is providing technology based learning to around 2,000 private schools across India, reaching out to more than a million students. The futuristic NIIT nGuru range of learning solutions for schools comprises Interactive Classrooms with digital content, technology-driven math lab, IT wizard programs and quick school - an education resource planning software.

1.1.2 PIPL MANAGEMENT CONSULTANCY AND INVESTMENT PRIVATE LIMITED

- (i) PIPL Management Consultancy and Investment Private Limited (hereinafter referred to as "PMPL" or "Amalgamating Company 1") having CIN U74999DL2016PTC291905 is a company incorporated as private limited company under the Companies Act, 2013 on March 1, 2016 *vide* certificate of incorporation issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Amalgamating Company 1 has its registered office at 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi.
- (ii) The main objects of the Amalgamating Company 1 as per its memorandum of association are as follows:



- 1) *To act as business consultant, management consultant, and provide advisory services, training, consultancy in the field of information technology, administrative, commercial, industrial, public relations, scientific, technical, and other levies, statistical, accountancy, quality control and data processing, whether in India or abroad.*
 - 2) *To acquire and hold share, stocks, debentures, debenture stock, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere or securities issued or guaranteed by any Government, Municipality, public body or other local authority.*
 - 3) *To act as principal, agents, sub-agents, consultants, or otherwise deal in to attain above objects stated in paras (1) & (2) above.*
- (iii) The Amalgamating Company 1 is presently engaged in the business of consultancy services.
- (iv) Amalgamating Company 1 is currently holding 2,53,66,521 equity shares aggregating to 15.30% of equity share capital of the Amalgamated Company.

1.1.3 GLOBAL CONSULTANCY AND INVESTMENT PRIVATE LIMITED

- (i) Global Consultancy and Investment Private Limited (hereinafter referred to as "GCPL" or "Amalgamating Company 2") having CIN U74900DL2016PTC291957, was incorporated as a private limited company under the Companies Act, 2013 on March 1, 2016 *vide* certificate of incorporation issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. The Amalgamating Company 2 has its registered office at 8, Balaji Estate, First Floor, Guru Ravi Das Marg, Kalkaji, New Delhi.
- (ii) The main objects of the Amalgamating Company 2 as per its memorandum of association are as follows:
 - 1) *To act as business consultant, management consultant, and provide advisory services, training, consultancy in the field of information technology, administrative, commercial, industrial, public relations, scientific, technical, and other levies, statistical, accountancy, quality control and data processing, whether in India or abroad.*
 - 2) *To acquire and hold share, stocks, debentures, debenture stock, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere or securities issued or guaranteed by any Government, Municipality, public body or other local authority.*
 - 3) *To act as principal, agents, sub-agents, consultants, or otherwise deal in to attain above objects stated in paras (1) & (2) above.*



- (iii) The Amalgamating Company 2 is presently engaged in the business of consultancy services.
- (iv) Amalgamating Company 2 is currently holding 2,59,15,838 equity shares aggregating to 15.64% of equity share capital of the Amalgamated Company.

1.1.4 RATIONALE OF THE SCHEME

- (i) This amalgamation would lead to simplification of the shareholding structure and reduction of shareholding tiers and also provides transparency to the Promoters' direct engagement with the Amalgamated Company.
- (ii) This amalgamation is undertaken pursuant to a succession planning of the Promoters intended to streamline the Promoters' shareholding in the Amalgamated Company, *inter-alia* held through Amalgamating Company 1 and Amalgamating Company 2.
- (iii) There would be no change in the aggregate promoters' shareholding in the Amalgamated Company. All the costs and charges arising out of this Scheme shall be borne by the Promoters.

1.1.5 The Scheme is divided into five parts:

- (i) **Part I** sets-forth the Introduction, Definitions and Interpretation;
- (ii) **Part II** sets-forth the capital structure of the Amalgamated Company and Amalgamating Companies;
- (iii) **Part III** deals with the amalgamation of the Amalgamating Companies into and with the Amalgamated Company, in accordance with sections 230 to 232 of the 2013 Act;
 - (a) **Section A** – The transfer by way of amalgamation of Amalgamating Company 1 with Amalgamated Company;
 - (b) **Section B** – The transfer by way of amalgamation of Amalgamating Company 2 with Amalgamated Company;
- (iv) **Part IV** deals with consideration, accounting and tax treatments in the Financial Statements of the Amalgamated Company pursuant to the amalgamation of the Amalgamating Companies in the Amalgamated Company and in terms of this Scheme; and
- (v) **Part V** deals with general/residuary terms and conditions.



DEFINITIONS

1.2 DEFINITIONS

- 1.2.1 "2013 Act" means the Companies Act, 2013 and the rules made thereunder, and includes any alterations, modifications and amendments made thereto and/or any re-enactment thereof;
- 1.2.2 "Amalgamating Company 1" shall mean PIP Management Consultancy and Investment Private Limited, as defined in Clause 1.1.2 of Part I, and includes:
- (i) any and all of its assets, whether movable or immovable, whether present or future, whether tangible or intangible, leasehold or freehold, all rights, title, interests, covenants, undertakings, liabilities, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;
 - (ii) any and all loans and advances (including inter-corporate loans), including accrued interest thereon, receivables, funds, cash, bank balances, investments, accounts, and all other rights, benefits of all agreements, subsidies, grants, incentives, bills of exchange, letters of intent;
 - (iii) without prejudice to generality of the foregoing, Amalgamating Company 1 shall include all investments in the capital of other companies, *inter-alia* including 2,53,66,521 equity shares in the Amalgamated Company, whether as shares, scrips, stocks, bonds, debentures, debenture stocks, units, mutual funds or pass through certificates including dividends declared and other accrued benefits thereto;
 - (iv) any and all approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses, certificates, tenancies, municipal permissions, balances with Governmental Authorities, intellectual property rights including trade names, trademarks, service marks, copyrights, domain names, income tax credit, advance tax, applications for trade names, trademarks, service marks, copyrights, powers and facilities of every kind and description whatsoever, pertaining to the Amalgamating Company 1;
 - (v) any and all secured and unsecured debts, borrowings and liabilities (including contingent liabilities), present or future, undertakings and obligations of the Amalgamating Company 1;
 - (vi) any and all employees, who are on the pay roll of the Amalgamating Company 1, including those engaged at its offices at their current terms and conditions, including all employee benefits such as provident fund, employees' state insurance, gratuity fund, superannuation fund;
 - (vii) any and all advance monies, earnest monies and/or security deposits, trade payables, payment against warrants or other entitlements, in connection with or relating to the Amalgamating Company 1; and
 - (viii) all records, files, papers, information, computer programs, relating to Amalgamating Company 1.
- 1.2.3 "Amalgamating Company 2" shall mean Global Consultancy and Investment Private Limited, as defined in Clause 1.1.3 of Part I, and includes:



- (i) any and all of its assets, whether movable or immovable, whether present or future, whether tangible or intangible, leasehold or freehold, all rights, title, interests, covenants, undertakings, liabilities, together with all present and future liabilities including contingent liabilities and debts appertaining thereto;
- (ii) any and all loans and advances (including inter-corporate loans), including accrued interest thereon, receivables, funds, cash, bank balances, investments, accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, bills of exchange, letters of intent;
- (iii) without prejudice to generality of the foregoing, Amalgamating Company 2 shall include all investments in the capital of other companies, *inter-alia* including 2,59,15,838 equity shares in the Amalgamated Company, whether as shares, scrips, stocks, including without limitation, shares, bonds, debentures, debenture stocks, units, mutual funds or pass through certificates including dividends declared and other accrued benefits thereto;
- (iv) any and all approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses, certificates, tenancies, municipal permissions, balances with Governmental Authorities, intellectual property rights including trade names, trademarks, service marks, copyrights, domain names, income tax credit, advance tax, applications for trade names, trademarks, service marks, copyrights, privileges and benefits of all contracts, agreements and powers and facilities of every kind and description whatsoever, pertaining to the Amalgamating Company 2;
- (v) any and all secured and unsecured debts, borrowings and liabilities (including contingent liabilities), present or future, undertakings and obligations of the Amalgamating Company 2;
- (vi) any and all employees, who are on the pay roll of the Amalgamating Company 2, including those engaged at its offices at their current terms and conditions, including all employee benefits such as provident fund, employees' state insurance, gratuity fund, superannuation fund;
- (vii) any and all advance monies, earnest monies and/or security deposits, trade payables, payment against warrants or other entitlements, in connection with or relating to the Amalgamating Company 2; and
- (viii) all records, files, papers, information, computer programs, relating to Amalgamating Company 2.

1.2.4 "Amalgamating Companies" shall mean both Amalgamating Company 1 and Amalgamating Company 2;

1.2.5 "Amalgamated Company" means NIIT, as defined in Clause 1.1.1 of Part I above;

1.2.6 "Applicable Law(s)" means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, approval from the concerned authority, Governmental Authority resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any concerned authority having jurisdiction over the matter in question;



- 1.2.7 "Appointed Date" means closing hours of March 31, 2017 or such other date as may be approved by NCLT;
- 1.2.8 "Board of Directors"/ "Board" in relation to the Amalgamating Companies and/or the Amalgamated Company, as the case may be, shall, unless it be repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee as may be constituted by the board of directors;
- 1.2.9 "Clause" and "sub-Clause" means the relevant clauses and sub-clauses set out in this Scheme;
- 1.2.10 "Effective Date" means the date on which the Scheme shall become effective pursuant to Clause 13 of Part V of this Scheme. Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" or "after this Scheme becomes effective" means and refers to the Effective Date;
- 1.2.11 "Financial Statements" would include stand alone and consolidated accounts;
- 1.2.12 "Governmental Authority" means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof;
- 1.2.13 "NCLT" means the National Company Law Tribunal, New Delhi Bench, to which this scheme of amalgamation in its present form is submitted for its sanctioning under sections 230 to 232 of the 2013 Act;
- 1.2.14 "New Equity Shares" shall mean the equity shares to be issued to members of Amalgamating Company 1 and Company 2 under Clause 5.1 and 5.2 respectively;
- 1.2.15 "Promoters" shall mean Mr. Rajendra Singh Pawar, Mr. Vijay Kumar Thadani and their respective family trusts. The said promoters are inter-alia included in the category of promoter and promoter group as defined under the SEBI (Issue of Capital and Disclosure requirements), Regulations, 2009;
- 1.2.16 "Record Date" shall mean the date to be fixed by the Board of Directors of the Amalgamating Company 1, Amalgamating Company 2 and the Amalgamated Company for the purpose of determining the members of the Amalgamating Company 1 and Amalgamating Company 2 to whom shares will be allotted pursuant to Clause 5.1 and Clause 5.2 of this Scheme;
- 1.2.17 "SEBI" shall mean Securities And Exchange Board of India;
- 1.2.18 "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation in its present form (along with any annexures, schedules, etc., annexed/attached hereto), with such modifications and amendments as may be made from time to time, and with appropriate approvals and sanctions of the NCLT and other relevant regulatory authorities, as may be required under the 2013 Act, as applicable, and under all other applicable laws;
- 1.2.19 "Share Entitlement Report" shall mean the valuer report on the share entitlement ratio dated March 22, 2017 issued by SSPA & CO, Chartered Accountants; and
- 1.2.20 "Stock Exchanges" means National Stock Exchange of India Limited and BSE Limited.



1.3 INTERPRETATION

- 1.3.1 The terms "hereof", "herein", "hereby", "hereto" and derivative or similar words used in this Scheme refers to this entire Scheme.
- 1.3.2 The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the 2013 Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made there under), the Depositories Act, 1996 and other applicable laws, rules, regulations, guidelines, bye-laws, 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 NCLT in this Scheme.

1.4 DATE OF TAKING EFFECT AND OPERATIVE DATE

- 1.4.1 The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT shall be deemed to be effective from the Appointed Date but shall be operative only from the Effective Date.



PART II
SHARE CAPITAL STRUCTURE

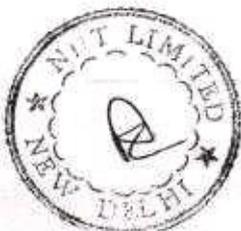
2. CAPITAL STRUCTURE

2.1 The share capital of Amalgamated Company as on March 31, 2016 was as under:

Share Capital	Amount in Rupees
Authorized Capital	
39,30,00,000 equity shares of Rs. 2/- each	78,60,00,000
25,00,000 Redeemable Preference Shares of Rs.100/- each	25,00,00,000
35,00,00,000, 8.5% Cumulative Redeemable Preference Shares of Re.1/- each	35,00,00,000
Total	1,38,60,00,000
Issued	
16,55,07,233 equity shares of Rs. 2/- each	33,10,14,466
Subscribed and fully paid up	
16,55,01,233 equity shares of Rs. 2/- each	33,10,02,466
Add: forfeited equity shares (amount originally paid-up)	6,000
Total	33,10,08,466

As on the March 20, 2017, the share capital of the Amalgamated Company is as under:

Share Capital	Amount in Rupees
Authorized Capital	
39,30,00,000 equity shares of Rs. 2/- each	78,60,00,000
25,00,000 Redeemable Preference Shares of Rs.100/- each	25,00,00,000
35,00,00,000, 8.5% Cumulative Redeemable Preference Shares of Re.1/- each	35,00,00,000
Total	1,38,60,00,000
Issued	
16,57,55,886 equity shares of Rs.2/- each	33,15,11,772
Subscribed and fully paid up	
16,57,49,886 equity shares of Rs.2/- each	33,14,99,772



Add: forfeited equity shares (amount originally paid-up)	6,000
Total	33,15,05,772

The change in the share capital structure of the Amalgamated Company is on account of issue and allotment of 2,48,653 equity shares of Rs.2/- each pursuant to NIIT Employee Stock Option Scheme- 2005.

2.2 The share capital of Amalgamating Company 1 as on March 31, 2016 was as under:

Share Capital	Amount in Rupees
Authorized Capital	
1,00,000 equity shares of Rs.10/- each	10,00,000
Total	10,00,000
Issued, Subscribed and fully paid-up	
1000 equity shares of Rs. 10/- each	10,000
Total	10,000

As on the March 20, 2017, the share capital of the Amalgamating Company 1 is as under:

Share Capital	Amount in Rupees
Authorized Capital	
18,00,000 equity shares of Rs.10/- each	1,80,00,000
Total	1,80,00,000
Issued, Subscribed and fully paid up	
91,000 equity shares of Rs.10/- each	9,10,000
Total	9,10,000

2.3 The share capital of Amalgamating Company 2 as on March 31, 2016 was as under:

Share Capital	Amount in Rupees
Authorized Capital	
1,00,000 equity shares of Rs 10/- each	10,00,000
Total	10,00,000



Issued, Subscribed and fully paid-up	
1,000 equity shares of Rs. 10/- each	10,000
Total	10,000

As on the March 20, 2017, the share capital of the Amalgamating Company 2 is as under:

Share Capital	Amount in Rupees
Authorized Capital	
18,00,000 equity shares of Rs.10/- each	1,80,00,000
Total	1,80,00,000
Issued, Subscribed and fully paid up	
91,000 equity shares of Rs.10/- each	9,10,000
Total	9,10,000



PART-III

AMALGAMATION OF AMALGAMATING COMPANIES WITH AMALGAMATED COMPANY

SECTION A

3. THE TRANSFER BY WAY OF AMALGAMATION OF AMALGAMATING COMPANY 1 WITH AMALGAMATED COMPANY

- 3.1 With effect from the Appointed Date, and upon the Scheme becoming effective, the Amalgamating Company 1 shall stand transferred to and be vested in the Amalgamated Company, as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein.
- 3.2 Subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, on occurrence of the Effective Date, the whole of the business, personnel, property, assets, investments, rights, benefits and interest therein of the Amalgamating Company 1 shall, with effect from the Appointed Date, stand transferred to and be vested in the Amalgamated Company, without any further act or deed, and by virtue of the order passed by the NCLT. Without prejudice to the generality of the above, and in particular, the Amalgamating Company 1 shall stand transferred to and be vested in the Amalgamated Company in the manner described in sub-clauses (i) to (xi) below:
- (i) all assets of the Amalgamating Company 1, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, shall stand vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly. No stamp duty is payable on the transfer of such movable properties, being vested in the Amalgamated Company;
 - (ii) all movable properties of the Amalgamating Company 1, other than those specified in sub-clause (i) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, shall without any further act, instrument or deed, become the property of the Amalgamated Company;
 - (iii) all immovable properties of the Amalgamating Company 1, if any, whether freehold or leasehold, and all documents of title, rights and easements in relation thereto, shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Amalgamated Company, without any further act or deed done by the Amalgamating Company 1 and/or the Amalgamated Company;
 - (iv) all investments including the investments made by Amalgamating Company 1 in the capital of other companies whether as shares, scrips, stocks, bonds, debentures, debenture stocks, units, mutual funds or pass through certificates and other accrued benefits thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been



and stand transferred to and vested in the Amalgamated Company, without any further act or deed done by the Amalgamating Company 1 and/or the Amalgamated Company;

- (v) all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheets of the Amalgamating Company 1, shall, be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company and the Amalgamated Company undertakes to meet, discharge and satisfy the same. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause;
- (vi) all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses including those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Amalgamating Company 1 or to the benefit of which, the Amalgamating Company 1 may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company 1, the Amalgamated Company had been a party or beneficiary or obligee thereto;
- (vii) any pending suit/appeal or other proceedings of whatsoever nature relating to the Amalgamating Company 1, whether by or against the Amalgamating Company 1, shall not abate or be discontinued or in any way prejudicially affected by reason of the amalgamation of the Amalgamating Company 1 or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Amalgamated Company in the same manner and to the same extent as they would or might have been continued, prosecuted and/or enforced by or against the Amalgamating Company 1, as if this Scheme had not been made. The Amalgamated Company shall file necessary application for transfer of all pending suit/appeal or other proceedings of whatsoever nature relating to Amalgamating Company 1;
- (viii) all employees of the Amalgamating Company 1, who are on its pay roll shall be engaged by the Amalgamated Company, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Amalgamating Company 1, without any interruption of service as a result of this amalgamation and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Amalgamating Company 1, upon this Scheme becoming effective, the Amalgamated Company shall stand substituted for the Amalgamating Company 1 for all purposes whatsoever, in accordance with the provisions of applicable laws and in terms of this Scheme. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Amalgamating Company 1 for such purpose, shall be treated as having been continuous;
- (ix) all statutory licenses, permissions or approvals or consents held by the Amalgamating Company 1 required to carry on its operations shall stand transferred to and be vested in the Amalgamated Company without any further act or deed, and shall, as may be required, be appropriately mutated by the statutory authorities concerned therewith in favor of the Amalgamated Company. The benefit of all statutory and regulatory permissions, approvals



and consents of the Amalgamating Company 1 shall vest in and become available to the Amalgamated Company pursuant to the Scheme;

- (x) any and all registrations, goodwill, licenses appertaining to the Amalgamating Company 1 shall stand transferred to and vested in the Amalgamated Company; and
- (xi) all taxes payable by the Amalgamating Company 1, if any, including all or any refunds of claims shall be treated as the tax liability or refunds/claims as the case may be of the Amalgamated Company.

3.3 Procedural Formalities Post Sanction of the Scheme

- 3.3.1 The Amalgamated Company shall, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or novation or other writings or arrangements with any party to any contract or arrangement in relation to which the Amalgamating Company 1 has been a party, in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Amalgamating Company 1 and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company 1.
- 3.3.2 Upon the Scheme becoming effective, for statistical purposes only and without any separate deed, instrument or writing, the Amalgamating Company 1 and/or the Amalgamated Company shall, if required, simultaneously with the amendment in the register of charge file particulars of the modified charge with the concerned Registrar of Companies. Any documentation subsequently entered into with the term lenders or the working capital lenders of the Amalgamating Company 1 and the Amalgamated Company, shall be for the sake of convenience and record only and to reflect the changes in the security pursuant to the Scheme and there shall be no break in the continuity of such charge and the same shall relate back to the date of its creation thereof in the Amalgamating Company 1.
- 3.3.3 Upon the Scheme becoming effective, all statutory permissions, licenses, approvals, consents, privileges, benefits and benefits of filings and all other incorporeal rights emanating from such licenses (together the "Licenses", for the purpose of this Clause 3.3.3) relating to the Amalgamating Company 1, shall stand transferred to and vested in the Amalgamated Company without any further act, instrument or deed, as more particularly provided hereinabove. Notwithstanding such transfer/ vesting of the Licenses, if any application is required for the statistical record of the statutory authorities to implement the transfer and vesting of the Licenses, as provided hereinabove, the Amalgamated Company shall facilitate the statutory authorities by filing such applications, which shall be granted/ approved in favour of the Amalgamated Company based on the sanction order of the Scheme by the NCLT.
- 3.3.4 Upon the Scheme becoming effective, the Amalgamated Company is expressly entitled to revise its direct or indirect tax returns and related withholding certificates and shall be entitled to claim refund, advance tax credits, pertaining to the Amalgamating Company 1, if any.
- 3.3.5 From the Effective Date, all bank accounts of the Amalgamating Company 1 shall be permitted to be continued with the same balances as of the Effective Date in the name of the Amalgamated Company and for statistical record the Amalgamated Company shall be permitted to file names and particulars of the new authorized signatories for withdrawals and/ or deposits/ credits in such bank accounts and the relevant bank accounts shall be reconstituted accordingly.



3.4 Conduct of Business

3.4.1 With effect from the Appointed Date and until occurrence of the Effective Date:

- (i) the Amalgamating Company 1 undertakes to carry on and shall be deemed to have carried on all its business activities and stand possessed of its properties and assets, for and on account of and in trust for the Amalgamated Company; and
- (ii) all profits accruing to the Amalgamating Company 1 and all taxes thereon or losses accumulated or otherwise arising or incurred by it shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of the Amalgamated Company; and
- (iii) the Amalgamating Company 1 shall carry on its business, with reasonable diligence and business prudence and in the same manner as it had been doing hitherto and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal, in any of its properties/assets, except : (a) when the same is expressly provided in this Scheme; or (b) when the same is in the ordinary course of business as carried on by it as on the date of filing of this Scheme in the NCLT; or (c) when a prior written consent of the Amalgamated Company has been obtained in this regard; and
- (iv) except by mutual consent of the Board of Directors of the Amalgamating Company 1 and the Amalgamated Company and subject to changes pursuant to commitments, obligations or arrangements prior to the Appointed Date or as part of this Scheme, pending sanction of this Scheme by the NCLT, the Amalgamating Company 1 shall not make any change in its capital structure either by any increase (by issue of equity shares, bonus shares, preference shares, convertible debentures or otherwise), decrease, reduction, reclassification, subdivision or consolidation, re-organisation or in any other manner, which would have the effect of reorganisation of capital of the Amalgamating Company 1; and
- (v) the Amalgamating Company 1 shall not vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligations undertaken prior to the date of approval of the Scheme by the Board of Directors of the Amalgamating Company 1, the terms and conditions of employment of any of its employees, nor shall it conclude settlement with any union or its employees except with the written concurrence of the Amalgamated Company; and
- (vi) the Amalgamating Company 1 shall not alter or substantially expand its business except with the written concurrence of the Amalgamated Company; and
- (vii) the Amalgamating Company 1 shall not amend its memorandum of association and / or its articles of association, except with the written concurrence of the Amalgamated Company.

3.5 Notwithstanding anything contained in this Scheme, subject to the Applicable Laws, the Board of Directors of the Amalgamated Company shall be entitled to consider, pursue, manage, undertake



- and conduct business of Amalgamated Company *inter-alia* including, any corporate actions, issue of securities and bonus shares, buy back of securities, reorganization, restructuring of its businesses, strategic acquisition or sale of any business, joint ventures, business combinations etc., as it may deem prudent and necessary in the interest of the Amalgamated Company.
- 3.6 With effect from the Appointed Date, all debts, liabilities, duties and obligations of the Amalgamating Company I as on the Appointed Date, whether or not provided in their books, and all liabilities which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of the Amalgamated Company.
 - 3.7 With effect from the Effective Date, the Amalgamated Company shall commence and carry on and shall be authorized to carry on the business of the Amalgamating Company I.
 - 3.8 Upon this Scheme becoming effective, the Amalgamating Company I shall stand dissolved, without following the procedure of winding up prescribed under The Insolvency And Bankruptcy Code, 2016, as may be applicable.
 - 3.9 For the purpose of giving effect to the amalgamation order passed under sections 230 to 232 and other applicable provisions of the 2013 Act in respect of the Scheme by NCLT, the Amalgamated Company shall, at any time pursuant to the order on the Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Amalgamating Company I, in accordance with the provisions of sections 230 to 232 of the 2013 Act.



SECTION B

4. THE TRANSFER BY WAY OF AMALGAMATION OF AMALGAMATING COMPANY 2 WITH AMALGAMATED COMPANY

- 4.1 With effect from the Appointed Date, and upon the Scheme becoming effective, the Amalgamating Company 2 shall stand transferred to and be vested in the Amalgamated Company, as a going concern, without any further deed or act, together with all the properties, assets, rights, liabilities, benefits and interest therein.
- 4.2 Subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, on occurrence of the Effective Date, the whole of the business, personnel, property, assets, investments, rights, benefits and interest therein of the Amalgamating Company 2 shall, with effect from the Appointed Date, stand transferred to and be vested in the Amalgamated Company, without any further act or deed, and by virtue of the order passed by the NCLT. Without prejudice to the generality of the above, and in particular, the Amalgamating Company 2 shall stand transferred to and be vested in the Amalgamated Company in the manner described in sub-clauses (i) to (xi) below:
- (i) all assets of the Amalgamating Company 2, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, shall stand vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly. No stamp duty is payable on the transfer of such movable properties, being vested in the Amalgamated Company;
 - (ii) all movable properties of the Amalgamating Company 2, other than those specified in sub-clause (i) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, shall without any further act, instrument or deed, become the property of the Amalgamated Company;
 - (iii) all immovable properties of the Amalgamating Company 2, if any, whether freehold or leasehold, and all documents of title, rights and easements in relation thereto, shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Amalgamated Company, without any further act or deed done by the Amalgamating Company 2 and/or the Amalgamated Company;
 - (iv) all investments including the investments made by Amalgamating Company 2 in the capital of other companies whether as shares, scrips, stocks, bonds, debentures, debenture stocks, units, mutual funds or pass through certificates and other accrued benefits thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Amalgamated Company, without any further act or deed done by the Amalgamating Company 2 and/or the Amalgamated Company;



- (v) all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheets of the Amalgamating Company 2, shall, be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company and the Amalgamated Company undertakes to meet, discharge and satisfy the same. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause;
- (vi) all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses including those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Amalgamating Company 2, or to the benefit of which, the Amalgamating Company 2 may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company 2, the Amalgamated Company had been a party or beneficiary or obligee thereto;
- (vii) any pending suit/appeal or other proceedings of whatsoever nature relating to the Amalgamating Company 2, whether by or against the Amalgamating Company 2, shall not abate or be discontinued or in any way prejudicially affected by reason of the amalgamation of the Amalgamating Company 2 or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Amalgamated Company in the same manner and to the same extent as they would or might have been continued, prosecuted and/or enforced by or against the Amalgamating Company 2, as if this Scheme had not been made. The Amalgamated Company shall file necessary application for transfer of all pending suit/appeal or other proceedings of whatsoever nature relating to Amalgamating Company 2;
- (viii) all employees of the Amalgamating Company 2, who are on its pay roll shall be engaged by the Amalgamated Company, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Amalgamating Company 2, without any interruption of service as a result of this amalgamation and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Amalgamating Company 2, upon this Scheme becoming effective, the Amalgamated Company shall stand substituted for the Amalgamating Company 2 for all purposes whatsoever, in accordance with the provisions of applicable laws and in terms of this Scheme. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Amalgamating Company 2 for such purpose, shall be treated as having been continuous;
- (ix) all statutory licenses, permissions or approvals or consents held by the Amalgamating Company 2 required to carry on its operations shall stand transferred to and be vested in the Amalgamated Company without any further act or deed, and shall, as may be required, be appropriately mutated by the statutory authorities concerned therewith in favor of the Amalgamated Company. The benefit of all statutory and regulatory permissions, approvals and consents of the Amalgamating Company 2 shall vest in and become available to the Amalgamated Company pursuant to the Scheme;



- (x) any and all registrations, goodwill, licenses appertaining to the Amalgamating Company 2 shall stand transferred to and vested in the Amalgamated Company; and
- (xi) all taxes payable by the Amalgamating Company 2, if any, including all or any refunds of claims shall be treated as the tax liability or refunds/claims as the case may be of the Amalgamated Company.

4.3 Procedural Formalities Post Sanction of the Scheme

- 4.3.1 The Amalgamated Company shall, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or novation or other writings or arrangements with any party to any contract or arrangement in relation to which the Amalgamating Company 2 has been a party, in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Amalgamating Company 2 and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company 2.
- 4.3.2 Upon the Scheme becoming effective, for statistical purposes only and without any separate deed, instrument or writing, the Amalgamating Company 2 and/or the Amalgamated Company shall, if required, simultaneously with the amendment in the register of charges, file particulars of the modified charge with the concerned Registrar of Companies. Any documentation subsequently entered into with the term lenders or the working capital lenders of the Amalgamating Company 2 and the Amalgamated Company, shall be for the sake of convenience and record only and to reflect the changes in the security pursuant to the Scheme and there shall be no break in the continuity of such charge and the same shall relate back to the date of its creation thereof in the Amalgamating Company 2.
- 4.3.3 Upon the Scheme becoming effective, all statutory permissions, licenses, approvals, consents, privileges, benefits and benefits of filings and all other incorporeal rights emanating from such licenses (together the "Licenses", for the purpose of this Clause 4.3.3) relating to the Amalgamating Company 2, shall stand transferred to and vested in the Amalgamated Company without any further act, instrument or deed, as more particularly provided hereinabove. Notwithstanding such transfer/ vesting of the Licenses, if any application is required for the statistical record of the statutory authorities to implement the transfer and vesting of the Licenses, as provided hereinabove, the Amalgamated Company shall facilitate the statutory authorities by filing such applications, which shall be granted/ approved in favour of the Amalgamated Company based on the sanction order of the Scheme by NCLT.
- 4.3.4 Upon the Scheme becoming effective, the Amalgamated Company is expressly entitled to revise its direct or indirect tax returns and related withholding certificates and shall be entitled to claim refund, advance tax credits pertaining to Amalgamating Company 2, if any.
- 4.3.5 From the Effective Date, all bank accounts of the Amalgamating Company 2 shall be permitted to be continued with the same balances as of the Effective Date in the name of the Amalgamated Company and for statistical record the Amalgamated Company shall be permitted to file names and particulars of the new authorized signatories for withdrawals and/ or deposits/ credits in such bank accounts and the relevant bank accounts shall be reconstituted accordingly.

4.4 Conduct of Business



4.4.1 With effect from the Appointed Date and until occurrence of the Effective Date:

- (i) the Amalgamating Company 2 undertakes to carry on and shall be deemed to have carried on all its business activities and stand possessed of its properties and assets, for and on account of and in trust for the Amalgamated Company; and
- (ii) all profits accruing to the Amalgamating Company 2 and all taxes thereon or losses accumulated or otherwise arising or incurred by it shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of the Amalgamated Company; and
- (iii) the Amalgamating Company 2 shall carry on its business, with reasonable diligence and business prudence and in the same manner as it had been doing hitherto and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for itself or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal, in any of its properties/assets, except : (a) when the same is expressly provided in this Scheme; or (b) when the same is in the ordinary course of business as carried on by it as on the date of filing of this Scheme in NCLT; or (c) when a prior written consent of the Amalgamated Company has been obtained in this regard; and
- (iv) except by mutual consent of the Board of Directors of the Amalgamating Company 2 and the Amalgamated Company and subject to changes pursuant to commitments, obligations or arrangements prior to the Appointed Date or as part of this Scheme, pending sanction of this Scheme by NCLT, the Amalgamating Company 2 shall not make any change in its capital structure either by any increase (by issue of equity shares, bonus shares, preference shares, convertible debentures or otherwise), decrease, reduction, reclassification, subdivision or consolidation, re-organisation or in any other manner, which would have the effect of reorganisation of capital of the Amalgamating Company 2; and
- (v) the Amalgamating Company 2 shall not vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligations undertaken prior to the date of approval of the Scheme by the Board of Directors of the Amalgamating Company 2, the terms and conditions of employment of any of its employees, nor shall it conclude settlement with any union or its employees except with the written concurrence of the Amalgamated Company; and
- (vi) the Amalgamating Company 2 shall not alter or substantially expand its business except with the written concurrence of the Amalgamated Company; and
- (vii) the Amalgamating Company 2 shall not amend its Memorandum of Association and / or its Articles of Association, except with the written concurrence of the Amalgamated Company.

4.5. Notwithstanding anything contained in this Scheme, subject to the Applicable Laws, the Board of Directors of the Amalgamated Company shall be entitled to consider, pursue, manage, undertake and conduct business of Amalgamated Company *inter-alia* including, any corporate actions, issue



of securities and bonus shares, buy back of securities, reorganization, restructuring of its businesses, strategic acquisition or sale of any business, joint ventures, business combinations etc., as it may deem prudent and necessary in the interest of the Amalgamated Company.

- 4.6 With effect from the Appointed Date, all debts, liabilities, duties and obligations of the Amalgamating Company 2 as on the Appointed Date, whether or not provided in their books, and all liabilities which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of the Amalgamated Company.
- 4.7 With effect from the Effective Date, the Amalgamated Company shall commence and carry on and shall be authorized to carry on the business of the Amalgamating Company 2.
- 4.8 Upon this Scheme becoming effective, the Amalgamating Company 2 shall stand dissolved, without following the procedure of winding up prescribed under The Insolvency And Bankruptcy Code, 2016, as may be applicable.
- 4.9 For the purpose of giving effect to the amalgamation order passed under sections 230 to 232 and other applicable provisions of the 2013 Act, as applicable, in respect of the Scheme by NCLT, the Amalgamated Company shall, at any time pursuant to the order on the Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Amalgamating Company 2, in accordance with the provisions of sections 230 to 232 of the 2013 Act.



PART-IV

CONSIDERATION, ACCOUNTING TREATMENT AND TAX TREATMENT OF AMALGAMATED COMPANY

5. CONSIDERATION

- 5.1. Upon the coming into effect of the Scheme, and in consideration of the amalgamation of the Amalgamating Company 1 with the Amalgamated Company pursuant to Part III – Section A of the Scheme, the Amalgamated Company shall, without any further act or deed and without any further payment, basis the Share Entitlement Report, issue and allot to the shareholders of Amalgamating Company 1 (whose name is recorded in the register of members of the Amalgamating Company 1 as holding equity shares on the Record Date) equal number of equity shares as held by the Amalgamating Company 1 in the Amalgamated Company in the following manner:

“2,53,66,521 (Two Crore, Fifty Three Lakh, Sixty Six Thousand Five Hundred and Twenty One) fully paid up equity shares of the face value of Rs. 2/- (Rupees Two) each credited as fully paid up in the share capital of the Amalgamated Company in the proportion of the number of equity shares held by the shareholders in the Amalgamating Company 1”.

- 5.2. Upon the coming into effect of the Scheme, and in consideration of the amalgamation of the Amalgamating Company 2 with the Amalgamated Company pursuant to Part III – Section B of the Scheme, the Amalgamated Company shall, without any further act or deed and without any further payment, basis the Share Entitlement Report, issue and allot to the shareholders of Amalgamating Company 2 (whose name is recorded in the register of members of the Amalgamating Company 2 as holding equity shares on the Record Date) equal number of equity shares as held by the Amalgamating Company 2 in the Amalgamated Company in the following manner:

“2,59,15,838 (Two Crore, Fifty Nine Lakh, Fifteen Thousand Eight Hundred and Thirty Eight) fully paid up equity shares of the face value of Rs. 2/- (Rupees Two) each credited as fully paid up in the share capital of the Amalgamated Company in the proportion of the number of equity shares held by the shareholders in the Amalgamating Company 2”.

- 5.3. In the event that the New Equity Shares entitled to be issued result in fractional entitlements, the Board of Directors of the Amalgamated Company shall be empowered to consolidate and/or round off such fractional entitlements into whole number of equity shares to an integer in a manner to ensure that only 5,12,82,359 (Five Crore, Twelve Lakh, Eighty Two Thousand, Three Hundred and Fifty Nine) number of fully paid equity shares of Rs. 2/- each to be issued to the shareholders of the Amalgamating Companies.
- 5.4. Pursuant to issuance of New Equity Shares as aforesaid to the shareholders of the Amalgamating Companies, the shareholders of the Amalgamating Companies shall become the shareholders of the Amalgamated Company.
- 5.5. Since the equity shares of the Amalgamated Company are in dematerialized form, the shareholders of the Amalgamating Companies shall be issued New Equity Shares in dematerialized form.



- 5.6. Upon New Equity Shares being issued and allotted by the Amalgamated Company to the members of the Amalgamating Companies, in accordance with Clause 5.1 and 5.2, the share certificates in relation to the shares held by the said members in the Amalgamating Companies shall stand cancelled and extinguished and be of no effect on and from the date of such issue and allotment.

New Equity Shares of the Amalgamated Company issued in terms of Clause 5.1 and 5.2 of this Scheme will be listed and/ or admitted to trading on the Stock Exchanges where the shares of the Amalgamated Company are listed and/or admitted to trading subject to necessary approvals under SEBI regulations and from the Stock Exchanges and all necessary applications and compliances being made in this respect by the Amalgamated Company.

- 5.7. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Amalgamating Companies, the Board of Directors of the Amalgamated Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on Record Date, in order to remove any difficulties, after the effectiveness of this Scheme.
- 5.8. Subject to Clause 6 below, the New Equity Shares to be issued to the members of Amalgamating Companies under Clause 5.1 and 5.2 above shall be subject to the Memorandum and Articles of Association of Amalgamated Company and shall rank pari passu with the existing equity shares of Amalgamated Company in all respects for the financial year starting from the Appointed Date in terms of the Scheme with the existing equity shares of Amalgamated Company.
- 5.9. For the purpose of stamp duty to be levied, if any, on the issue of New Equity Shares, Appointed Date shall be deemed as relevant date.
- 5.10. For the purpose of issue of New Equity Shares to the shareholders of the Amalgamating Companies, the Amalgamated Company shall be deemed to be in compliance with necessary compliances under relevant provisions of 2013 Act for the issue and allotment by the Amalgamated Company of New Equity Shares to the members of the Amalgamating Companies under the Scheme.

6. DIVIDEND PAYABLE BETWEEN APPOINTED DATE AND EFFECTIVE DATE

- 6.1. Notwithstanding anything provided in this Scheme, in case dividend (including interim dividend), is declared either by Amalgamated Company or Amalgamating Companies prior to the Effective Date, it shall be payable to their respective shareholders whose name is recorded in the register of members of the Amalgamated Company and/ or Amalgamating Companies as holding equity shares on the date of declaration of such dividend or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of Amalgamated Company and/ or Amalgamating Companies.
- 6.2. It is clarified that the aforesaid provision in respect of declaration of dividends is an enabling provision only and shall not be deemed to confer any right on any member of the Amalgamated Company and Amalgamating Companies to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Amalgamated Company and Amalgamating Companies and subject to the approval of the shareholders of the Amalgamated Company and Amalgamating Companies.



7. CANCELLATION OF EXISTING SHARES OF AMALGAMATED COMPANY

- 7.1. All equity shares held by the Amalgamating Company 1 (i.e. 2,53,66,521 equity shares) and Amalgamating Company 2 (i.e. 2,59,15,838 equity shares) in the share capital of the Amalgamated Company as on the Effective Date, shall stand cancelled, without any further act or deed, upon this Scheme becoming effective.
- 7.2. The reduction in the share capital of the Amalgamated Company as contemplated in Clause 7.1 above shall be effected as an integral part of this Scheme in accordance with the provisions of section 230- 232 of the 2013 Act, and any other applicable provisions of the 2013 Act. The order of NCLT sanctioning this Scheme shall also include approval and confirmation of the reduction of share capital of the Amalgamated Company.

8. CHANGE IN AUTHORISED SHARE CAPITAL

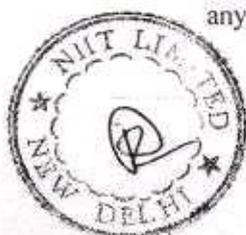
- 8.1 Upon this Scheme becoming effective and upon the vesting and transfer of the Amalgamating Companies in the Amalgamated Company pursuant to the terms of this Scheme, the entire authorized share capital of the Amalgamating Companies shall stand transferred from the authorized share capital of the respective Amalgamating Companies to the authorized share capital of the Amalgamated Company.

- 8.2 By virtue of Clause 8.1 above, the authorized share capital of the Amalgamated Company shall stand increased by an amount of Rs. 3,60,00,000 and **Clause V** in the memorandum of association of the Amalgamated Company shall stand substituted to read as follows:

"V. The Authorized Share Capital of the Company is Rs. 142,20,00,000/- (Rupees One Hundred and Forty Two Crore and Twenty Lakhs only) divided into 41,10,00,000 Equity Shares of Rs. 2/- each, 35,00,00,000 8.5% cumulative redeemable preference shares of Rs. 1/- each and 25,00,00,000 redeemable Preference shares of Rs. 100/- each with the rights, privileges and conditions attaching thereto as provided by the requisitions of the Company for the time being with power to increase and reduce the capital of the Company and divide the shares in the Capital for the time being into several classes to attach thereto or in accordance with the Articles of the Company for the time being in force, and to modify, enlarge or abrogate any such right, privilege or conditions in such manner as may be permitted by the said Act or provided by the Articles of Association of the Company for the time being force."

- 8.3 The stamp duty or filing fees paid on the authorized share capital of the Amalgamating Companies are permitted to be utilized and applied towards the increase in the authorized share capital of the Amalgamated Company in accordance with this Clause 8.1 and 8.2 above, and no further demand of additional stamp duty or fee shall be raised or made upon the Amalgamated Company by any regulatory authorities in relation to such increase in the authorized share capital of the Amalgamated Company, including by the Registrar of Companies, National Capital Territory of Delhi and Haryana.

- 8.4 It is hereby clarified that for the purposes of increasing the authorized share capital of the Amalgamated Company in accordance with Clause 8.1 and 8.2 above, the consent of the shareholders of the Amalgamated Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and that no further resolution under section 13, section 61 or any other applicable provisions of the 2013 Act, would be required to be separately passed.



9. ACCOUNTING TREATMENT

With effect from the Appointed Date and upon the Scheme becoming effective, Amalgamated Company shall account for the amalgamation of Amalgamating Companies in its books of account with effect from the Appointed Date as per the "Pooling of Interest Method", as described under Accounting Standard (AS) 14 "Accounting for Amalgamations" as notified by Central Government under Section 133 of 2013 Act, which is the applicable accounting standard for the period upto March 31, 2017, with the Appointed Date being closing hours of March 31, 2017 or such other date as may be approved by NCLT, such that:

- 9.1 All the assets, liabilities and reserves of Amalgamating Companies, are transferred to and vested in Amalgamated Company pursuant to the Scheme and shall be recorded by Amalgamated Company at their book values as on the Appointed Date.
- 9.2 The investments of Amalgamating Companies in the equity share capital of Amalgamated Company shall stand cancelled and accordingly the issued and paid up equity share capital of Amalgamated Company shall stand reduced to the extent of face value of equity shares held by Amalgamating Companies in the Amalgamated Company.
- 9.3 Amalgamated Company shall credit the aggregate face value of New Equity Shares issued by it to the shareholders of Amalgamating Companies pursuant to Clause 5.1 and Clause 5.2 of this Scheme to the Share Capital Account in its books of accounts.
- 9.4 The difference of net assets of Amalgamating Companies as per Clause 9.1 above over the amount credited by Amalgamated Company to the Share Capital Account as per Clause 9.3 above after adjustment of the cancellation of the investments in the equity share capital of the Amalgamated Company as per Clause 9.2 above would be added to or adjusted from (as the case may be) against the reserves of the Amalgamated Company.
- 9.5 In case of any difference in the accounting policies between Amalgamating Companies and Amalgamated Company, the accounting policies followed by the Amalgamated Company will prevail and the difference, if any, till the Appointed Date will be quantified and will be adjusted in the Statement of Profit & Loss in accordance with Accounting Standard (AS) 5 "Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies" to ensure that the financial statements of the Amalgamated Company reflect the financial position on the basis of consistent accounting policy.

10. TAX

- 10.1 Any tax liabilities under the Income Tax Act, 1961 or other applicable laws/regulations dealing with taxes/ duties/ levies allocable or related to the business of Amalgamating Companies to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Amalgamated Company.
- 10.2 Any surplus in the provision for taxation/ duties/ levies account including but not limited to the advance tax, tax deducted at source by the customers and MAT credit, CENVAT credit, as on the date immediately preceding the Appointed Date will also be transferred to Amalgamated Company. Any refund under the Income Tax Act, 1961 or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the business of Amalgamating Companies or due to Amalgamating Companies, consequent to the assessment made in respect of Amalgamating



Companies, for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date, shall also belong to and be received by Amalgamated Company.

- 10.3 The tax payments (including without limitation income tax, tax on distribution of dividends, service tax, excise duty, central sales tax, applicable state value added tax or any other taxes as may be applicable from time to time) whether by way of tax deducted at source by the customers, advance tax or otherwise howsoever, by Amalgamating Companies after the Appointed Date, shall be deemed to be paid by Amalgamated Company and shall, in all proceedings, be dealt with accordingly. Notwithstanding the above, any tax deducted at source by either the Amalgamating Companies or the Amalgamated Company on account of intercompany transactions between Amalgamated Company and Amalgamating Companies post the Appointed Date, shall be deemed to be advance tax paid by the Amalgamated Company and shall, in all proceedings, be dealt with accordingly.
- 10.4 Upon the Scheme becoming Effective, with effect from the Appointed Date, Amalgamating Companies and Amalgamated Company are expressly permitted to prepare and/or revise, as the case may be, their financial statements and returns along with the prescribed forms, filings and annexure under the Income Tax Act, 1961, central sales tax, applicable state value added tax, service tax laws and other tax laws, if required, to give effects to provisions of the Scheme.
- 10.5 All tax assessment proceedings/appeals of whatsoever nature by or against the Amalgamating Companies pending and/or arising at the Appointed Date and relating to Amalgamating Companies shall be continued and/or enforced until the Effective Date as desired by Amalgamated Company. As and from the Effective Date, the tax proceedings/ appeals shall be continued and enforced by or against Amalgamated Company in the same manner and to the same extent as would or might have been continued and enforced by or against Amalgamating Companies. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of Amalgamating Companies with Amalgamated Company or anything contained in the Scheme.

Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by or to be made by Amalgamating Companies shall be made or deemed to have been made and duly complied with by the Amalgamated Company.

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



PART-V

GENERAL / RESIDUARY TERMS AND CONDITIONS

11. APPLICATION TO NCLT

The Amalgamated Company and the Amalgamating Companies shall, with all reasonable dispatch, make respective applications to the NCLT and or applicable authority, under sections 230 to 232 of 2013 Act, seeking order for dispensing with or for convening, holding and/or conducting of the meetings of the classes of their respective members and creditors (secured and unsecured) as per the requirements of the 2013 Act.

12. Fortress Capital Management Services Pvt. Ltd., a SEBI registered Category I merchant banker, pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, under its fairness opinion dated March 23, 2017, has certified that the Share Entitlement Report in reference to the Scheme, is fair and reasonable.

13. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- (a) The approval by the requisite majorities of the classes of persons, including shareholders, creditors of the Amalgamating Companies and Amalgamated Company as may be directed by the NCLT under Section 230- 232 of the 2013 Act;
- (b) The Scheme being approved by the shareholders of the Amalgamated Company through resolution passed in terms of Para 9 (a) & (b) of Annexure I of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as may be amended from time to time, provided that the same shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme are more than the votes cast by the public shareholders against it;
- (c) The sanctioning of this Scheme by the NCLT, whether with any modifications or amendments as NCLT may deem fit or otherwise;
- (d) The filing of the certified copies of the orders of the NCLT with the Registrar of Companies, National Capital Territory of Delhi and Haryana, by the Amalgamating Companies and Amalgamated Company, as the case may be;
- (e) Any other sanctions and orders as may be directed by the NCLT in respect of the Scheme.

14. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 14.1 Each of the Amalgamating Companies and the Amalgamated Company (acting through their respective Boards of Directors) may assent to any modifications or amendments to this Scheme, which the NCLT and/or any other authorities may deem fit to direct or impose or which may



otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme. Each of the Amalgamating Companies and the Amalgamated Company (acting through its respective Boards of Directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any order of the NCLT or of any directive or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

- 14.2 In the event of any of the conditions that may be imposed by the NCLT or other authorities which the Amalgamating Companies and Amalgamated Company may find unacceptable for any reason, then the Amalgamating Companies and/or Amalgamated Company are at liberty to withdraw the Scheme. The Board of Directors of Amalgamated Company and Amalgamating Companies shall be entitled, in a mutually agreeable manner, to revoke, cancel and declare the Scheme of no effect if they are of view that the coming into effect of the Scheme could have adverse implications on Amalgamated Company and/or Amalgamating Companies.
- 14.3 If any issue arises as whether any asset, liability, employee pertains to the Amalgamating Companies and/or Amalgamated Company, or not under this Scheme, the same shall be decided by the Board of Directors of the Amalgamating Companies and/or Amalgamated Company, as relevant, on the basis of relevant books of account and other evidence that they may deem relevant for said purposes.

15. EFFECT OF NON-RECEIPT OF APPROVALS

- 15.1. In the event that the Scheme is not sanctioned by the NCLT or in the event any of consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme are not obtained or complied with or for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void, the Promoters shall bear the cost, charges and expenses in connection with the Scheme unless otherwise mutually agreed.
- 15.2. The non – receipt of any sanctions or approvals for a particular asset or liability forming part of the Amalgamating Companies getting transferred pursuant to this Scheme, shall not affect the effectiveness of the respective section of the Scheme, if the Boards of Directors of the Amalgamating Companies and/or Amalgamated Company so decide. In the event of non – receipt of approval of any lender / creditor for the transfer of any liability, then at the option of the Boards of Directors of the Amalgamating Companies, it may issue a security / recognize a liability in favour of Amalgamated Company on the same terms. The transfer of such asset or liability shall become effective from the Appointed Date as and when the said requisite approvals are received or aforesaid liability being recognized / security being issued and the provisions of the Scheme shall apply appropriately to the said transfer / issue / recognition.

16. COSTS, CHARGES & EXPENSES

- 16.1. Except as otherwise expressly provided in the Scheme, the Promoters shall pay the costs, charges and expenses in connection with the Scheme, including the stamp duty, if any, in relation to the Scheme within 30 (thirty) days.
- 16.2. Upon the Scheme becoming effective all taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Amalgamating Companies and Amalgamated



Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Promoters.

17. INDEMNIFICATION

The Promoters shall indemnify the Amalgamated Company and keep Amalgamated Company indemnified for any and all contingent liabilities and obligations including all demands, claims, suits, proceedings and the like which may be made or instituted by any third party (ies) including Governmental Authorities on Amalgamated Company and are directly relatable to Amalgamating Company 1 and Amalgamating Company 2 or which may devolve on Amalgamated Company on account of this amalgamation. The Promoters shall secure, deposit or pay, as the case may be, any legal demand raised by the Governmental Authority within the time frame provided therein.

18. MISCELLANEOUS

If any part of this Scheme hereof is invalid, ruled illegal by any NCLT of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Amalgamating Companies and Amalgamated Company that such Part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such Part shall cause this Scheme to become materially adverse to Amalgamating Companies and/or Amalgamated Company, in which case the Amalgamating Companies and Amalgamated Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Amalgamating Companies and Amalgamated Company the benefits and obligations of the Scheme, including but not limited to such Part.

