

SCHEME OF AMALGAMATION
OF
AMBIT HOUSING FINANCE PRIVATE LIMITED
(‘Transferor Company’)
WITH
AMBIT FINVEST PRIVATE LIMITED
(‘Transferee Company’)
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
UNDER SECTION 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF
THE COMPANIES ACT, 2013 AND RULES & REGULATIONS FRAMED
THEREUNDER

A. PREAMBLE

This Scheme of Amalgamation (‘Scheme’) provides for amalgamation of Ambit Housing Finance Private Limited with Ambit Finvest Private Limited and their respective shareholders and creditors, pursuant to the provisions of section 230 to section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013. In addition, the Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

B. DESCRIPTION OF THE TRANSFEROR COMPANY

1. Ambit Housing Finance Private Limited (hereinafter referred to as ‘Transferor Company’) is a private company, limited by shares, incorporated on 14th August,

2021 under the Companies Act, 2013 under corporate identity number U65929MH2021PTC365866 and having its registered office at 449, Ambit House, Senapati Bapat Marg, Lower Parel, Mumbai - 400013, Maharashtra, India.

2. Transferor Company business activities:

The Transferor Company was incorporated to carry on the business of a housing finance lending activities, for the purpose of enabling any borrower to construct or purchase or reconstruction of all kinds of properties and in particular land, buildings, business concerns or any interest in real or personal properties.

C. DESCRIPTION OF THE TRANSFEREE COMPANY

1. Ambit Finvest Private Limited (hereinafter referred to as 'Transferee Company') is a Non-Banking Financial Company ('NBFC') registered with the RBI. The Transferee Company is a private company, limited by shares, incorporated on 24th July, 2006 under the Companies Act, 1956 under corporate identity number U65999MH2006PTC163257 and having its registered office at Ambit House, 449, Senapati Bapat Marg, Lower Parel, Mumbai - 400013, Maharashtra, India. The Transferee Company is a debt listed entity and the non-convertible debentures issued by it are listed on BSE Limited.

2. Transferee Company business activities:

The Transferee Company is a Systemically Important Non-Deposit taking NBFC as defined under section 45-IA of the Reserve Bank of India Act, 1934 holding certificate of registration vide no. N-13.01927 dated May 4, 2009. The Transferee Company is principally engaged in the business of lending activities.

D. RATIONALE OF THE SCHEME

The Transferor Company is a wholly owned subsidiary of the Transferee Company and both are under the same management. The Transferor Company was incorporated with the objective to carry on the business of housing finance lending activities. The application made by the Transferor Company to RBI for housing finance license was not approved. Consequently, it is now proposed to consolidate the business of the Transferor Company at one place and effectively manage the Transferor Company and Transferee Company as a single entity. The reasons and circumstances leading to and justifying the proposed Scheme of Amalgamation of the Transferor Company with the Transferee Company, which makes it beneficial for all concerned stakeholders, are as follows:

- (a) Consolidation of businesses would help in achieving simplified organizational structure, improve operational and management efficiencies, streamline business operations and decision-making process and enable greater economies of scale;
- (b) The incidental objects of the Transferee Company, *inter-alia*, include financing the sale or purchase of houses, buildings, offices, godowns, warehouses, flats and any other structure. As such, pursuant to consolidation, the Transferee Company may consider to carry the business of housing finance within the parameter of applicable regulations of RBI;
- (c) Benefits of economies of scales and reduction in overheads including administrative, managerial and other expenditure;
- (d) Significant reduction in the multiplicity of legal and corporate compliances required at present to be carried out by Transferor Company, and greater financial strength and flexibility for the Transferee Company, which would result in maximizing overall shareholder value;
- (e) Rationalization, standardization and simplification of business processes leading to increase in operational feasibility in future, reduction of multi-company

- inefficiencies and optimal utilization of infrastructure including human resources and IT systems;
- (f) The Scheme will lead to simplification of the operating structure by elimination of related party transactions thereby providing better financial perspective of the business for the stakeholders;
 - (g) Amalgamation shall result in efficient and focused management control and system;
 - (h) Integrated operational and marketing strategies, inter-transfer of resources / cost will result in optimum utilization of assets; and
 - (i) The amalgamation will enable unified accounting and auditing resulting in reduction of costs, time and efforts involved.

In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the amalgamation of the Transferor Company with the Transferee Company in order to benefit the stakeholders of both the companies. Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme for the transfer and vesting of the entire Undertaking and business of the Transferor Company with the Transferee Company pursuant to the provisions of section 230 to section 232 and other relevant provisions of the Act.

E. PARTS OF THE SCHEME

The Scheme is divided into the following parts:

- (a) **PART I** deals with the introduction, definitions of the terms used in the Scheme and sets out the share capital of the Transferor Company and the Transferee Company;

- (b) **PART II** deals with the transfer and vesting of the Undertaking of the Transferor Company with the Transferee Company; and
 - (c) **PART III** deals with general terms and conditions applicable to this Scheme.
- F.** The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with the relevant provisions of the Companies Act, 2013 and the Income Tax Act, 1961 including but not limited to section 2(1B) therein. If any terms or provisions of this Scheme is / are inconsistent with the provisions of section 2(1B) of the Income Tax Act, 1961, the provisions of section 2(1B) of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with section 2(1B) of the Income-Tax Act, 1961; such modification to not affect other parts of the Scheme.

PART I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

- 1.1 **“Act”** or **“the Act”** means the Companies Act, 2013 and rules and regulations made thereunder and shall include any statutory modifications, re-enactment or amendment thereto for the time being in force;
- 1.2 **“Appointed Date”** means the opening hours of business on 01st April, 2023;
- 1.3 **“Applicable Law”** means any applicable statute, notification, bye laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or instructions having the force of law enacted or issued by any Appropriate

Authority, including any statutory modification or re-enactment thereof for the time being in force;

- 1.4 **“Appropriate Authority”** means any applicable central, state or local government, legislative body, regulatory, administrative or statutory authority, agency or commission or department or public or judicial body or authority;
- 1.5 **“Board”** or **“Board of Directors”** in relation to the Transferor Company and the Transferee Company, as the case may be, means the Board of Directors of such Company and shall include a duly constituted committee thereof, any person authorized by the Board for the purposes of matters pertaining to the amalgamation as contemplated under this Scheme and/or any other matter relating thereto;
- 1.6 **“Effective Date”** means the date on which the certified copies of the order passed by the National Company Law Tribunal, Mumbai sanctioning this Scheme is filed with the Registrar of Companies, Mumbai, in terms of the Act;
- 1.7 **“Ind AS”** means the Indian Accounting Standards as notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, including any amendment thereto, issued by the Ministry of Corporate Affairs and the other accounting principles generally accepted in India and as may be amended from time to time;
- 1.8 **“NCLT”** means the National Company Law Tribunal, Mumbai Bench;
- 1.9 **“Official Liquidator”** or **“OL”** means Official Liquidator having jurisdiction over the Transferor Company;
- 1.10 **“RBI”** means the Reserve Bank of India;
- 1.11 **“Regional Director”** means the Regional Director, Western Region, Ministry of Corporate Affairs at Mumbai, having jurisdiction over the Transferor Company and the Transferee Company;

- 1.12 **“ROC”** means Registrar of Companies, Mumbai in relation to the Transferor Company and the Transferee Company;
- 1.13 **“Scheme”** or **“the Scheme”** or **“this Scheme”** means this Scheme of Amalgamation in its present form or this scheme with any modification(s), approved or directed by the concerned authorities;
- 1.14 **Stock Exchanges** means BSE Limited;
- 1.15 **“Transferor Company”** means Ambit Housing Finance Private Limited being a private company, limited by shares, incorporated on 14th August, 2021 under the provisions of the Act, under corporate identity number U65929MH2021PTC365866 and having its registered office at 449, Ambit House, Senapati Bapat Marg Lower Parel, Mumbai - 400013, Maharashtra, India;
- 1.16 **“Transferee Company”** means Ambit Finvest Private Limited being a NBFC registered with the RBI, private company, limited by shares, incorporated on 24th July, 2006 under the provisions of the Act, under corporate identity number U65999MH2006PTC163257 and having its registered office at Ambit House, 449, Senapati Bapat Marg, Lower Parel, Mumbai - 400013, Maharashtra, India; and
- 1.17 **“Undertaking”** means and includes the whole of the undertaking and entire business of the Transferor Company as a going concern on the Appointed Date. Without prejudice and limitation to the generality of the above, the Undertaking shall mean and include the following:
- (a) All assets wherever situated, tangible or intangible, including all trade receivables, deposits including accrued interest, cash and cash equivalents, bank balances, margins, loans and advances together with all present and future liabilities (including contingent liabilities) of the Transferor Company;
 - (b) Any and all permits, rights, entitlements, allotments, approvals, consents, concessions, exemptions, liberties, advantages, no-objection certificates,

certifications, registrations, trade names, trademarks, service marks, copyrights, domain names, easements, goodwill, licences, tenancies, offices, income tax credits, privileges and benefits of all contracts, agreements, and all other rights including lease rights, licences, powers and facilities of every kind and description whatsoever pertaining to the Transferor Company;

- (c) Any and all earnest monies and/or security deposits, payment against warrants or other entitlements in connection with or relating to the Transferor Company;
- (d) All permanent employees engaged by the Transferor Company as on the Effective Date; and
- (e) Any and all debts, borrowings, guarantees, assurances, commitments, obligations and liabilities, whether fixed, contingent or absolute, asserted or unasserted, present or future, whether secured or unsecured, pertaining to the Transferor Company.

2. SHARE CAPITAL

2.1 The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on 31st March, 2023 is as under:

Particulars	Amount in Rupees
<u>Authorized share capital</u>	
2,05,10,000 equity shares of Rs.10/- each	20,51,00,000
Total	20,51,00,000
<u>Issued, subscribed and paid-up share capital</u>	
2,05,10,000 equity shares of Rs.10/- each	20,51,00,000
Total	20,51,00,000

The management of the Transferor Company shall duly intimate the change in the capital structure, subsequent to above and till the date of filing the Scheme.

2.2 The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on 31st March, 2023 is as under:

Particulars	Amount in Rupees
<u>Authorized share capital</u>	
2,50,00,000 equity shares of Rs.10/- each	25,00,00,000
Total	25,00,00,000
<u>Issued, subscribed and paid-up share capital</u>	
1,76,80,100 equity shares of Rs.10/- each	17,68,01,000
<u>Issued, subscribed and partly paid-up share capital</u>	
41,71,105 equity shares of Rs.10/- each, Re.1/- per share paid up	41,71,105
Total	18,09,72,105

The management of the Transferee Company shall duly intimate the change in the capital structure, subsequent to above and till the date of filing the Scheme.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

This Scheme set out herein in its present form or with any modifications approved or imposed or directed by the concerned authorities shall be effective from the Appointed Date but shall be operative from the Effective Date.

PART II

TRANSFER AND VESTING OF THE UNDERTAKING OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

4. TRANSFER AND VESTING OF THE UNDERTAKING

Upon this Scheme coming into effect and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, entire business and whole of the Undertaking of the Transferor Company as a going concern shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company on and from the Appointed Date in the following manner:

- 4.1 With effect from the Appointed Date, all the assets of the Undertaking, shall, under the provisions of section 230 to section 232 and all other applicable provisions, if any, of the Act, without any further act or deed, stand transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company, so as to vest in the Transferee Company all the rights, title and interest pertaining to the Undertaking.
- 4.2 With effect from the Appointed Date, all the liabilities and obligations of every kind, nature and description of the Transferor Company shall, under the provisions of section 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed be transferred to or be deemed to be transferred to the Transferee Company so as to from the Appointed Date, the liabilities and obligations becomes of the Transferee Company without any notice or other intimation to the creditors and further 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 liabilities and obligations have arisen, in order to give effect to the provisions of this clause.

- 4.3 Where any of the liabilities of the Transferor Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.4 If and to the extent there are inter- corporate loans, deposits or balances inter se between the Transferor Company and the Transferee Company, the obligations in respect thereof shall on and from the Appointed Date, come to an end and suitable effect shall be given in the books of accounts and records of the Transferee Company if required, for such adjustments.
- 4.5 The Transferee Company may, at any time after coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation / notice in favour of any other party to any contract or arrangement to which the Transferor Company is party of any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliance referred to above on the part of the Transferor Company to be carried out or performed.

5. CONSIDERATION

- 5.1 The entire equity share capital of the Transferor Company is held directly by the Transferee Company and through its nominees. In other words, the Transferor Company is a wholly owned subsidiary of the Transferee Company. Accordingly, upon the Scheme coming into effect, the Transferee Company will not issue any

shares in consideration for the amalgamation and the entire issued, subscribed and paid up capital of the Transferor Company shall stand cancelled.

- 5.2 Upon the Scheme coming into effect, the share certificates, if any, and/ or the shares representing the shares held by the Transferee Company in the Transferor Company shall be deemed to be cancelled without any further act or deed.

6. CONSOLIDATION OF AUTHORISED SHARE CAPITAL

- 6.1 Upon the Scheme coming into effect, the authorized share capital of Transferor Company as appearing on the date of certified or authenticated copies of the orders of the NCLT sanctioning this Scheme being filed with ROC, shall stand transferred to and be amalgamated with the authorized share capital of the Transferee Company without any requirement of any further act, instrument or deed on the part of Transferee Company, including payment of stamp duty and fees payable to ROC. The face value of equity shares shall remain same as that of the Transferee Company after increase of the authorized share capital.
- 6.2 The Memorandum of Association of the Transferee Company shall also, without any further act, instrument or deed, be and stand altered, modified and amended appropriately under applicable provisions of the Act.
- 6.3 On approval of the Scheme by the members of the Transferee Company pursuant to provisions of section 230 to section 232 of the Companies Act, 2013, it shall be deemed that the said members have also accorded all relevant consent under section 13, 14 and 61 and other applicable provisions of the Companies Act, 2013 as may be applicable for the purpose of amendment of the Memorandum of Association of the Transferee Company as above. It is clarified that there will be no need to pass a separate shareholders resolution as required under section 13, 14 and

61 of the Companies Act, 2013 for amendment of the Memorandum of Association of the Transferee Company

- 6.4 In accordance with section 232(3)(i) of the Companies Act, 2013 and other applicable laws, the stamp duties and / or fees (including registration fee) paid on the authorized share capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and no stamp duties and/or fees would be payable for the increase in the authorized Share Capital of the Transferee Company to the extent of the authorized Share Capital of the Transferor Company. The Transferee Company shall file requisite forms with the ROC.

7. ACCOUNTING TREATMENT

Upon the Scheme becoming effective, the Transferee Company shall account for the merger of the Transferor Company into itself in its books as under:

- 7.1 Upon the effectiveness of this Scheme and with effect from the Appointed Date, the Transferee Company shall account for the amalgamation in its books in accordance with pooling of interest method for common control business combination prescribed under Appendix C to Indian Accounting Standard (Ind AS 103 “Business Combination”) prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules, 2015;
- 7.2 The Transferee Company shall upon the Scheme coming into effect and with effect from the Appointed Date, record the assets, liabilities and reserves, if any, of the Transferor Company vested in it pursuant to this Scheme, at the respective carrying values thereof and on the same form appearing in the financial statements of the Transferor Company;

- 7.3 The identity of the reserves of the Transferor Company shall be preserved and the Transferee Company shall record the reserves of the Transferor Company in the same form and at same values as they appear in the financial statements of the Transferor Company;
- 7.4 The value of investments held by the Transferee Company in the Transferor Company shall stand cancelled pursuant to the amalgamation;
- 7.5 Pursuant to amalgamation, the inter-company transactions and balances between the Transferor Company and the Transferee Company shall stand cancelled and there shall be no further obligation in that behalf;
- 7.6 The difference, if any, after recording the entries as per clause 7.2 to 7.5 above, shall be transferred to capital reserve of the Transferee Company;
- 7.7 In addition, the Transferee Company shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India. For regulatory and tax purpose, amalgamation would have been deemed to be effective from the Appointed Date of this Scheme.

8. STAFF, WORKMEN AND EMPLOYEES

- 8.1 On the Scheme becoming effective all staff, workmen and employees, if any, of the Transferor Company, who are in service as on the Effective Date, shall become staff, workmen and employees of the Transferee Company, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favorable than those applicable to them with reference to their employment with the Transferor Company on the Effective Date.

- 8.2 The Transferee Company agrees that the services of all such employees with the Transferor Company, up to the Effective Date shall be taken into account for purposes of all retirement benefits to which they may be eligible as on the Effective Date.
- 8.3 The accounts/funds of the employees whose services are transferred under clause 8.1 above, relating to provident fund, gratuity and any other staff welfare fund (hereinafter referred to as the “Funds”) shall be identified, determined and transferred to the respective funds of the Transferee Company and such employees shall be deemed to have become members of such funds of the Transferee Company. In the event that the Transferee Company does not have its own fund with respect to any such Funds, the Transferee Company, may, subject to necessary approvals and permissions, continue to maintain the existing funds separately and contribute thereto, until such time as the Transferee Company creates its own funds at which time the Funds and the investments and contributions pertaining to the employees of the Transferor Company shall be transferred to such funds of the Transferee Company.

9. LEGAL, TAXATION AND OTHER PROCEEDINGS

- 9.1 Upon the coming into effect of this Scheme, all legal, taxation or other proceedings, whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal or courts), by or against the Transferor Company, under any statute, pending on the Appointed Date, shall be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted by or against, as the case may be, the Transferee Company.
- 9.2 The Transferee Company shall have all legal, taxation or other proceedings initiated by or against the Transferor Company referred to in clause 9.1 above transferred to its name as soon as is reasonably possible after the Effective Date and to have the same

continued, prosecuted and enforced by or against the Transferee Company, as a successor of the Transferor Company.

10. CONDUCT OF BUSINESS

10.1 With effect from the Appointed Date and upto and including the Effective Date:

10.1.1 The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Undertaking on account of, and for the benefit of and in trust for, the Transferee Company.

10.1.2 All the profits or income accruing or arising to the Transferor Company, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of the Transferee Company.

10.1.3 Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.

10.2 With effect from the first of the date of filing of this Scheme with the NCLT and up to and including the Effective Date:

10.2.1 The Transferor Company shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its group Company or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking or any part thereof save and except in each case in the following circumstances:

- (a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with NCLT; or
- (b) if the same is permitted by this Scheme; or
- (c) if consent of the Board of Directors of the Transferee Company has been obtained.

10.2.2 The Transferor Company shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to its business and operations other than decisions already taken prior to approval of the Scheme by the respective Board of Directors (ii) any agreement or transaction; (iii) any new business, or discontinue any existing business or change the capacity of facilities; and (iv) such other matters as the Transferee Company may notify from time to time save and except in each case in the following circumstances:

- (a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with NCLT; or
- (b) if the same is permitted by this Scheme; or

(c) if consent of the Board of Directors of the Transferee Company has been obtained.

11. CONTRACTS, DEEDS, ETC.

11.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance, letters of intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature of the Transferor Company, which is subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

11.2 The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novation, to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme. The Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

12. VALIDITY OF EXISTING RESOLUTIONS

12.1 Upon the coming into effect of the Scheme, the resolutions (passed by the respective Boards and / or shareholders), if any, of the Transferor Company relating to the Undertaking, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have monetary limits or other limits approved under the

provisions of the Act, or any other applicable statutory provisions, the said limits as are considered necessary by the Board of Directors of the Transferee Company shall be added to the limits, if any, under resolutions passed by the Board of Directors and/or the shareholders of the Transferee Company and the aggregate of the said two limits shall constitute the revised limit for the Transferee Company, for the relevant purpose and/or under the relevant provisions of the Act.

13. SAVING OF CONCLUDED TRANSACTIONS

13.1 The transfer of the Undertaking of the Transferor Company into the Transferee Company under clause 4 above and the continuance of proceedings by or against the Transferee Company in relation to the Undertaking shall not affect any transaction or proceedings already concluded on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accept and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

14. TAXES AND DUTIES

14.1 Upon the Scheme coming into effect, all taxes/ cess/ duties, direct and/or indirect, payable by or on behalf of the Transferor Company from the Appointed Date onwards including all or any refunds and claims, including refunds or claims pending with the revenue authorities and including the right to claim credit for minimum alternate tax and carry forward of accumulated losses, shall, for all purposes, be treated as the tax/ cess/ duty, liabilities or refunds, claims and accumulated losses of the Transferee Company. Accordingly, upon this Scheme becoming effective and from the Appointed Date, the Transferee Company is expressly permitted to revise and file their respective income tax returns and other

statutory returns, including tax deducted at source returns, goods and service tax returns, service tax returns, excise tax returns, sales tax and value added tax returns, as may be required / applicable and expressly reserved the right to make such revision in their returns and to claim refunds or credits etc. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have lapsed.

14.2 In accordance with the rules framed under the enactments relating to goods and services tax, as are prevalent on the Effective Date, the unutilized credits relating to goods and services tax lying to the credit of the Transferor Company shall be permitted to be transferred to the credit of the Transferee Company, as if all such unutilized credits were lying to the credit of the Transferee Company. The Transferee Company shall accordingly be entitled to set off all such unutilized credits against the goods and services tax payable by it.

14.3 Without prejudice to the generality of the above, all benefits including under the income tax, excise duty, applicable State Value Added Tax laws, goods and service tax, etc., to which the Transferor Company is entitled to in terms of the applicable tax laws of the Union and State Governments, shall be available to and vest in the Transferee Company.

15. INCOME TAX COMPLIANCE

15.1 The Scheme is drawn in compliance with section 2(1B) of the Income Tax Act, 1961 pertaining to amalgamation and always should be read as in compliance of the said section. If any terms or provisions of this Scheme is/are inconsistent with the provisions of section 2(1B) of the Income Tax Act, 1961, the provisions of section 2(1B) of the Income Tax Act, 1961 shall prevail and the Scheme shall stand

modified to the extent necessary to comply with section 2(1B) of the Income-Tax Act, 1961; such modification to not affect other parts of the Scheme.

PART III

GENERAL TERMS AND CONDITIONS

16. APPLICATIONS

- 16.1 The Transferor Company and the Transferee Company shall make, as applicable, the required applications / petitions to the NCLT under the provisions of section 230 to section 232 and other applicable provisions of the Act, read with the applicable rules for sanctioning of this Scheme and all matters ancillary or incidental thereto.
- 16.2 The Transferor Company shall take all necessary steps for sanctioning of this Scheme and for their respective dissolution without winding up, and apply for and obtain such other approvals, if any, required under the law.

17. DISSOLUTION OF THE TRANSFEROR COMPANY

- 17.1 Upon this Scheme becoming effective, the Transferor Company, without any further act, instruments or deed, shall be dissolved without winding up in accordance with the provisions of section 230 to section 232 of the Act.

18. CONDITIONALITY OF THE SCHEME

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

- 18.1 This Scheme being approved by the respective requisite majority in number and value of such class of persons including the shareholders, debenture holders, and/or creditors of each of the Transferor Company and the Transferee Company, either at a meeting or through consent or no-objection letters or otherwise, if required under the Act and/or as may be directed by the NCLT under provisions of section

230 to section 232 of the Act or dispensation having being received from the NCLT in relation to obtaining such approval from the members and/or creditors, and the requisite order of the NCLT being obtained in this regard;

18.2 The requisite(s) intimation to RBI and Stock Exchanges, which by law may be necessary for the implementation of this Scheme, being obtained in accordance with the Scheme;

18.3 The Scheme being sanctioned by the NCLT or any other competent authority, as may be applicable, under the provisions of section 230 to section 232 of the Act; and

18.4 The certified copy of the order of the NCLT under the provisions of section 230 to section 232 and other applicable provisions of the Act sanctioning the Scheme being filed with the ROC by the Transferor Company and Transferee Company.

19. MODIFICATIONS/AMENDMENTS TO THE SCHEME

19.1 Notwithstanding anything to the contrary contained in the Scheme, the Transferor Company and the Transferee Company by their respective Board of Directors or any duly authorized board committee of both the companies may make or consent to, on behalf of all persons concerned, any modifications, amendments, clarifications or confirmations to the Scheme, which they deem necessary and expedient or beneficial to the interests of the stakeholders and / or as may be approved or imposed or directed by the respective shareholders and / or creditors and / or by the Regional Director and / or NCLT and / or any other authority.

19.2 The Transferor Company and the Transferee Company shall be at liberty to withdraw from this Scheme, in case any condition or alteration is / are imposed by the Regional Director or NCLT or any other authority or any bank or financial institution, is unacceptable to them or otherwise if so mutually agreed.

19.3 For the purpose of giving effect to this Scheme or to any modification thereof, the Board of Directors of the Transferor Company and the Transferee Company or any other duly authorized committee thereof are authorized severally to give such directions including directions for settling any question of doubt or difficulty that may arise under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including in case of issue and allotment of shares), and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in the Scheme.

20. REVOCATION AND WITHDRAWAL OF THIS SCHEME

20.1 The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel, withdraw and declare this Scheme to be of no effect at any stage, but before the Effective date, and where applicable re-file, at any stage in case (a) this Scheme is not approved by the NCLT or other concerned or competent authority(ies) or if any other consents, approvals, permissions, resolutions, agreements, sanctions and conditions required for giving effect to this Scheme are not received or delayed; (b) any condition or modification imposed by the NCLT and / or any other authority(ies) is not acceptable; (c) the coming into effect of this Scheme in terms of the provisions hereof or filing of the drawn up order(s) with any governmental authority could have adverse implication on either of the Transferor Company and the Transferee Company; or (d) for any other reason whatsoever, and do all such acts, deeds and 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 to or be

incurred inter se between the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each party shall bear its own costs, unless otherwise mutually agreed.

21. EFFECT OF NON RECEIPT OF APPROVALS/ SANCTIONS

- 21.1 In the event of any of the said sanctions and approvals referred to in clause 18 above not being obtained and/ or the Scheme not being sanctioned by the government authority and/ or the order not being passed as aforesaid within such period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their Board of Directors (and which the Board of Directors of the Transferor Company and Transferee Company are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect.
- 21.2 Subject to approval of the NCLT or any other governmental authorities as may be required under applicable law, the Board of Directors of the Transferor Company and the Transferee Company shall be entitled to, jointly and as mutually agreed in writing, withdraw this Scheme at any time prior to the Effective Date, in their full and absolute discretion.
- 21.3 In the event of revocation of the Scheme under clause 21.1 or 21.2 above, no rights and liabilities whatsoever shall accrue or to be incurred inter se to the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed

done prior thereto as is contemplated hereunder or as to any rights, liabilities or obligations which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law, and in such case, each company shall bear its own cost unless otherwise mutually agreed.

22. EXPENSES CONNECTED WITH THE SCHEME

22.1 All costs, charges and expenses (including any taxes and duties) incurred or payable by the Transferor Company and the Transferee Company in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme, including stamp duty on the orders of NCLT, if any and to the extent applicable and payable, shall be borne and paid by the Transferor Company.