

**SCHEME OF AMALGAMATION
OF
WELSPUN METALLICS LIMITED
("THE TRANSFEROR COMPANY")
WITH
WELSPUN CORP LIMITED
("THE TRANSFEREE COMPANY")
AND
THEIR RESPECTIVE SHAREHOLDERS**

(A) PREAMBLE

1. The Scheme of Amalgamation ("Scheme") is presented under sections 230-232 and other applicable provisions of the Companies Act, 2013 for amalgamation of Welspun Metallics Limited ("the Transferor Company") with Welspun Corp Limited ("the Transferee Company") with effect from the Appointed Date (*as defined hereinafter*).
2. The Scheme is in the best interest of the companies involved and their respective shareholders, creditors, employees and all other stakeholders.
3. This Scheme also provides for various other matters consequential or otherwise integrally connected therewith.

(B) DESCRIPTION OF COMPANIES

1. Welspun Metallics Limited (CIN: U27100GJ2020PLC115168) is a public limited company, incorporated under the applicable provisions of the Companies Act, 2013 and having its registered address at Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370110.
2. Welspun Corp Limited (CIN: L27100GJ1995PLC025609) is a public limited company, incorporated under the applicable provisions of the Companies Act, 1956 and having its registered address at Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370110.

(C) RATIONALE OF THE SCHEME

The Scheme is expected to achieve the following:

- (i) The Transferor Company and the Transferee Company are engaged in the business of manufacture and sale of steel and steel products and their proposed merger will create synergies between the businesses, including by pooling of their financial, managerial, technical, distribution, marketing and other resources. The proposed merger is expected to, inter-alia, result in reduction of costs, better alignment, coordination and streamlining of day-to-day operations of the units;



- (ii) The consolidation will result in earning predictability, stronger revenue and improved competitiveness, with diversification in product portfolio thereby reducing business risks for the benefit of the shareholders. This will result in strong presence across market segments, provide access to new markets and product offerings along-with better bargaining power with customers / suppliers;
- (iii) Consolidation and optimization of stockyards could significantly reduce logistics and distribution costs for both companies. Clubbing of shipments may help reduce shipping costs, port terminal charges and ocean freight;
- (iv) Greater economies of scale and operational efficiencies which will provide a larger and stronger base for potential future growth;
- (v) The Transferor Company is a new company which is yet stabilizing production and scaling up, while the Transferee Company is an existing stable company with a strong balance sheet, and by merging the Transferor Company with the Transferee Company there are many cost reductions and efficiencies that can be created;
- (vi) Presently the loan borrowed by the Transferor Company are guaranteed by the Transferee Company and has higher cost of debt. The proposed merger will enable raising funds at relatively lower cost by leveraging on the strong fundamentals of the Transferee Company;
- (vii) Streamlining the structure of the Transferee Company and making it simple and transparent; and
- (viii) Reducing the multiplicities of legal and regulatory compliances.

(D) PARTS OF THE SCHEME:

The Scheme is divided into the following parts:

- (i) **CHAPTER I** deals with the definitions, interpretations and share capital;
- (ii) **CHAPTER II** deals with amalgamation of the Transferor Company with the Transferee Company; and
- (iii) **CHAPTER III** deals with general clauses, terms and conditions applicable to this Scheme.

CHAPTER I

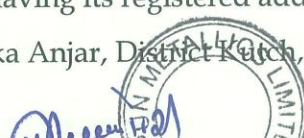
DEFINITIONS, INTERPRETATIONS AND SHARE CAPITAL

1. DEFINITIONS

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



- 1.1. **"Act"** means the Companies Act, 2013, the rules and regulations made thereunder and will include any statutory modification or re-enactment thereof for the time being in force;
- 1.2. **"Applicable Laws"** 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;
- 1.3. **"Appointed Date"** means 1st April 2022 or such other date as may be fixed and approved by the Hon'ble Tribunal or such other competent authority;
- 1.4. **"Appropriate Authority"** means any applicable central, state or local government, legislative body, statutory, regulatory, administrative or statutory authority, agency or commission or department or public or judicial body or authority, including, but not limited, to Securities and Exchange Board of India, Stock Exchanges, Regional Director, Registrar of Companies, Official Liquidator, Tribunal and other applicable authorities pursuant to the provisions of Section 230(5) of the Act, as may be relevant in the context;
- 1.5. **"Board of Directors"** means the Board of Directors of the Transferor Company or the Transferee Company as the context may require and includes a committee or any person authorised by the board of directors or by such committee duly constituted and authorised for the purposes of matters pertaining to the amalgamation as contemplated under this Scheme and / or any other matters relating thereto;
- 1.6. **"Effective Date"** means the last date on which the conditions specified in Clause 18 of the Scheme are complied with;
- 1.7. **"Listing Regulations"** shall mean Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes any amendments, modifications or any enactment thereof;
- 1.8. **"Scheme"** means this scheme of amalgamation in its present form for sanction including / with any modifications / amendments thereto / therein made under Clause 17 of the Scheme;
- 1.9. **"Transferor Company"** means Welspun Metallics Limited (CIN: U27100GJ2020PLC115168) which is a public limited company, incorporated under the provisions of the Companies Act, 2013 and having its registered address at Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370110.



- 1.10. **"Transferee Company"** means Welspun Corp Limited (CIN: L27100GJ1995PLC025609) which is a public limited company, incorporated under the provisions of the Companies Act, 1956 having its registered address at Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat – 370110;
- 1.11. **"Stock Exchanges"** means the BSE Limited and/ or wherever applicable, the National Stock Exchange of India Limited; and
- 1.12. **"Tribunal"** means the National Company Law Tribunal, Ahmedabad Bench having jurisdiction in relation to the Transferor Company and the Transferee Company and shall be deemed to include, if applicable, a reference to such other forum or authority which may be vested with any of the powers of the Tribunal to sanction the Scheme under the Act.

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

Reference to clauses, recitals and annexures, unless otherwise provided, are to clauses, recitals and annexures of and to this Scheme. The singular shall include the plural and vice versa.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

- 2.1. The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Hon'ble Tribunal or made as per Clause 17 of the Scheme, shall be effective from the Appointed Date, but shall be operative from the Effective Date.
- 2.2. Any reference in this Scheme to "upon the Scheme becoming effective" or "the coming into effect of the Scheme" shall mean the Effective Date.

3. SHARE CAPITAL

- 3.1. The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on 31st December 2022 is as under:

Share Capital	Amount in Rs.
<u>Authorized Share Capital</u>	
13,00,00,000 Equity Shares of Rs. 10/- each	130,00,00,000 /-
37,00,00,000 Preference Shares of Rs. 10/-each	370,00,00,000/-



Share Capital	Amount in Rs.
TOTAL	500,00,00,000/-
<u>Issued, Subscribed and paid-up Share Capital</u>	
11,80,00,000 Equity Shares of Rs. 10/- each	118,00,00,000/-
34,20,00,000 Preference Shares of Rs. 10/-each	342,00,00,000/-
TOTAL	460,00,00,000/-

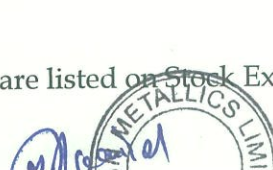
Subsequent to the above date, there has been no change in the authorized, issued, subscribed and paid-up share capital of the Transferor Company. The entire issued, subscribed and paid-up share capital of the Transferor Company is held by the Transferee Company.

- 3.2. The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on 31st December 2022 is as under:

Share Capital	Amounts in Rs.
<u>Authorized Share Capital</u>	
30,41,00,000 Equity Shares of Rs. 5/- each	152,05,00,000/-
40,00,00,000 Preference Shares of Rs. 10 /- each	400,00,00,000/-
TOTAL	552,05,00,000/-
<u>Issued, subscribed and paid-up Share Capital</u>	
26,15,29,395 Equity Shares of Rs. 5/- each, fully paid up	130,76,46,975/-
35,15,11,571 Preference Shares of Rs. 10 /- each	351,51,15,710/-
TOTAL	482,27,62,685/-

Subsequent to the above date, there has been no change in the authorized, issued, subscribed and paid-up share capital of the Transferee Company. Further, the Transferee Company has reserved 23,50,000 stock options under the Welspun Employee Stock Option Plan and granted 23,50,000 stock options at an exercise price of Rs.100 on August 16, 2018 which options will be vested over a period of 3 years with the first vesting date being 1 year from the date of grant of the option (i.e., August 16, 2019). Further, the Transferee Company has reserved 11,00,000 stock options under the Welspun Employee Stock Option Plan and granted 11,00,000 stock options at an exercise price of Rs.100 on August 3, 2022 which options will be vested over a period of 3 years with the first vesting date being 1 year from the date of grant of the option (i.e., August 3, 2023). Out of the total granted options, 3,45,000 options lapsed and 24,45,000 options are yet to be exercised. The exercise of stock options before the Effective Date, under and in accordance with the Welspun Employee Stock Option Plan, would result in an increase in the issued, subscribed and paid-up equity share capital of the Transferee Company.

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



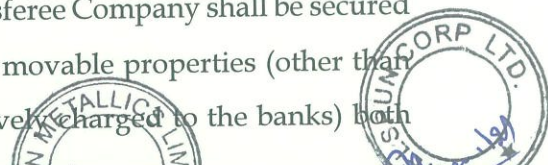
AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

4.1. With effect from the Appointed Date, the entire business and whole of the undertaking of the Transferor Company including all properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature such as licenses, permits, trademarks, quotas, investments, approvals, lease, tenancy rights, permissions, incentives, concessions, if any, and benefit of all letter of intent, request for proposal, prequalification, bid acceptances, tenders, contracts, deeds, memorandum of understanding, bonds, agreements, arrangements, track-record, experience, goodwill and all other rights, claims, powers and any other instrument and all other rights, title, interest, certificates, registrations under various legislations, contracts, consent, approvals or powers of every kind nature and descriptions whatsoever of all intents and purposes and specifically including but not limited to, the turnover, the profitability, performance, and market share of the Transferor Company from the commencement of its operations shall under the applicable provisions of the Act and pursuant to the orders of the Hon'ble Tribunal and without any further act, instrument or deed, but subject to the existing charges affecting the same as on the Effective Date be transferred and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company.

4.2. Without prejudice to Clause 4.1 above, in respect of such of the assets of the Transferor Company as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities of the Transferee Company by way of physical delivery or novation. The investments, if any held in dematerialized form will be transferred to the Transferee Company by issuing appropriate delivery instructions to the depository participant or submission of a copy of the order of the Hon'ble Tribunal sanctioning the Scheme with whom the Transferor Company have an account for effecting the transfer of change in the nomenclature of the demat account from the name of the Transferor Company to the name of the Transferee Company. Such delivery and transfer shall be made on a date mutually agreed upon, being a date after the Scheme becoming effective. The moveable assets, other than those specified in Clause 4.1 above, including intangible assets, actionable claims, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits including deposits paid in relation to outstanding litigations, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall, without any further act, instrument or deed, be transferred to and vested into as the property of the Transferee Company. The Transferee Company may

if required, give notice in such form as it may deem fit and proper to each person or debtor that, pursuant to the Scheme, the said person or debtor should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company to recover or realise the same is in substitution of the right of the Transferor Company and that appropriate entry should be passed in their respective books to record the aforesaid charges.

- 4.3. Without prejudice to any of the clauses above, with effect from the Appointed Date and upon the Scheme becoming effective, all immoveable properties, if any, including land together with buildings and structure standing thereon, whether freehold or leasehold, relating to the Transferor Company and any documents of title, rights, interests, claims, including leases, licenses and easements in relation thereto, shall, pursuant to the applicable provisions of the Act and the Scheme, without any further act, instrument, deed, matter or thing, stand transferred to and vested into the Transferee Company, as of the Appointed Date. The mutation of the title to the immoveable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in favor of the Transferee Company.
- 4.4. Notwithstanding anything to the contrary contained herein, it is clarified that, upon the Scheme becoming effective, any loan, deposit or facility availed by both the Transferor Company and the Transferee Company shall have security, charge and / or mortgage as under:
- Working capital lenders of the Transferor Company and the Transferee Company shall be secured by first charge ranking pari passu without any preference or priority of one over the other or others by way of hypothecation or pledge of the entire current assets, namely stocks of raw materials, semi-finished and finished goods, stores and spares (consumable stores & spares) goods and book debts and all other movable of the Transferee Company (including on the assets of the Transferor Company vested in the Transferee Company) including export incentives / receivables from Government of India both present and future excluding such movable assets as may be permitted by the banks from time to time and also those specific assets already having exclusive charge as permitted by the banks. The working capital lenders of the Transferor Company shall be secured by second charge on all the fixed assets and other movable properties (other than the current assets and other specific assets exclusively charged to the banks) both present and future in a form and manner acceptable to the banks (which is subsisting or having effect immediately before the Effective Date) of the Transferor Company. The working capital lenders of the Transferee Company shall be secured by second charge on all the fixed assets and other movable properties (other than the current assets and other specific assets exclusively charged to the banks) both



present and future in a form and manner acceptable to the banks (which is subsisting or having effect immediately before the Effective Date) of the Transferee Company.

- Term loan lenders of the Transferor Company shall continue to be secured by first charge ranking pari-passu on all the fixed assets (which is subsisting or having effect immediately before the Effective Date) of the Transferor Company and the Scheme shall not operate to enlarge the security for the said liabilities of the Transferor Company which shall vest in the Transferee Company by virtue of the Scheme. The Transferee Company shall not be obliged to create any further, or additional security thereof after the merger has become effective or otherwise. The transfer / vesting of the assets of the Transferor Company as aforesaid shall be subject to the existing charges / hypothecation / mortgages over or in respect of the assets or any part thereof of the Transferor Company.
- Term loan lenders (including the secured Non Cumulative Debenture holders) of the Transferee Company shall continue to be secured by first charge ranking pari-passu on all the fixed assets (which is subsisting or having effect immediately before the Effective Date) of the Transferee Company and the Scheme shall not operate to enlarge such security, charges to end and intent that such security, charges shall not extend or be deemed to extend, to any of the assets of the Transferor Company vested in the Transferee Company.

Such security, charge and / or mortgage shall be deemed to be carried out as an integral part of this Scheme without any further act or deed on the part of the Transferee Company and / or the Transferor Company.

- 4.5. All debts, liabilities, duties and obligations of whatsoever nature of the Transferor Company shall also, without any further act, instrument or deed be transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of the Act, so as to become the debts, liabilities, duties and obligations of the Transferee Company 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 debts, liabilities, duties and obligations liabilities have arisen, in order to give effect to the provisions of this Clause. Necessary modification, as may be required would be carried out to the debt instrument issued by the Transferor Company, if any.
- 4.6. With effect from the Appointed Date and upon the Scheme becoming effective, all the corporate guarantees, letters of comfort, support letters etc. issued by the Transferee Company for the benefit of the Transferor Company shall, without any further act or deed, stand cancelled.



- 4.7. The Transferee Company may at any time after the coming into effect of the Scheme in accordance with the provisions of the Scheme, if so required, under any law or otherwise, execute deeds of confirmation, in favour of the creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised 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.
- 4.8. On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts, demat accounts, if any, of the Transferor Company and realise all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in relation to the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.
- 4.9. With effect from the Appointed Date and upon the Scheme becoming effective, all development rights, licenses and registrations (including but not limited to EXIM, EPCG, GST, BOCW, Local Employment Exchange, Registration of Boiler / Economizer, Environment Clearance, Factory License, EPFO, Electrical Installations, registrations under Interstate Migrant Workers Act, Assessment of Land, registrations under Contract Labour Act), permissions, approvals or consents, if any, to carry on the operations and business of the Transferor Company shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, special status, subsidies, privileges, environmental approvals, incentives (including but not limited to under Incentive to Industries Scheme under GR No. INC-102015-64591-I), registrations, exemptions (including but not limited to exemption from payment of electricity duty) or other licenses and consents shall continue and shall vest in and become available to the Transferee Company pursuant to this Scheme.
- 4.10. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of this Scheme; and (ii) continued vesting of the benefits, exemptions available to the Transferor Company in favour of the Transferee Company, the Board of Directors of the Transferor Company and the Transferee Company shall be deemed to be authorised to execute or enter into necessary documents with any regulatory



authorities or third parties, if applicable and the same shall be considered as giving effect to the order of Hon'ble Tribunal and shall be considered as an integral part of this Scheme. Further the Transferee Company shall be deemed to be authorised to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable, on behalf of the Transferor Company and to carry out and perform all such formalities and / or compliances, as required for the purpose of implementation of the provisions of the Scheme.

- 4.11. This part of the Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified 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.

5. CONSIDERATION / CANCELLATION OF SHARES OF THE TRANSFEROR COMPANY

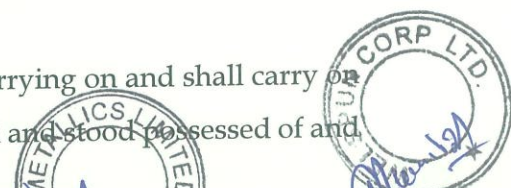
- 5.1. As the Transferor Company is a wholly owned subsidiary of the Transferee Company, no shares shall be issued to the shareholders of the Transferor Company (i.e., to the Transferee Company).
- 5.2. The investments in the shares (equity and preference shares) of the Transferor Company, appearing in the books of account of the Transferee Company shall, without any further act or deed, stand cancelled.

- 6. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEE COMPANY**
- Notwithstanding anything to the contrary contained herein, the Transferee Company shall account for amalgamation of the Transferor Company as per Ind AS 103, Business Combinations - Appendix C, other applicable Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and relevant clarifications issued by the Institute of Chartered Accountants of India.

7. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

From the date of approval of the Scheme by the Board of Directors and upto and including the Effective Date:

- 7.1. The Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and

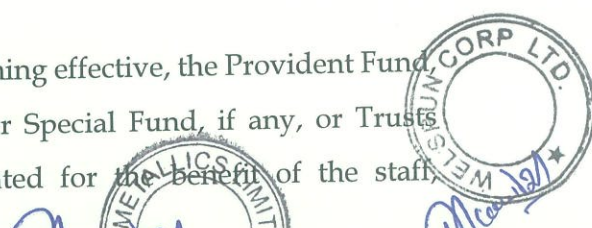


shall hold and stand possessed of all its properties and assets for and on account of and in trust for the Transferee Company. The Transferor Company undertakes to hold the said assets with utmost prudence until the Effective Date.

- 7.2. The Transferor Company shall carry on its business and activities with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of the Transferee Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose of any business or part thereof.
- 7.3. All the profits or income accruing or arising to the Transferor Company or expenditure, or losses arising or incurred or suffered by the Transferor Company from the Appointed Date and upto and including the Effective Date shall for all purposes be treated and be deemed to be accrued as the income or profits or losses or expenditure as the case may be of the Transferee Company.
- 7.4. The Transferor Company shall not vary the terms and conditions of employment of any of the employees of the Transferor Company, except in the ordinary course of business or without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by them, as the case may be, upto the Effective Date.
- 7.5. The Transferor Company and the Transferee Company shall be entitled, pending sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which may be required pursuant to this Scheme.

8. EMPLOYEES

- 8.1. Upon the Scheme becoming effective, all staff, workmen and employees of the Transferor Company, if any, 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. 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.
- 8.2. It is expressly provided that, upon the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or such other Special Fund, if any, or Trusts (hereinafter collectively referred as "Funds") created for the benefit of the staff,



workmen and employees of the Transferor Company shall, with the approval of the concerned authorities, become Funds of the Transferee Company, or shall be transferred to or merged with other similar funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Funds shall become those of the Transferee Company. It is clarified that the services of the staff, workmen and employees will be treated as having been continuous for the purpose of the said Funds.

9. **LEGAL PROCEEDINGS**

If any suit, action, appeal or other proceeding of whatsoever nature by or against the Transferor Company is pending on the Effective Date or is instituted any time thereafter, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

10. **VALIDITY OF EXISTING RESOLUTIONS, ETC**

Upon the Scheme becoming effective, the resolutions of the Transferor Company, as are considered necessary by the Board of Directors of the Transferee Company and which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolution of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory law, then 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 like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

11. **CONTRACTS, DEEDS AND OTHER ENTITLEMENTS 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 pertaining to the Transferor Company, which is subsisting as 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 or beneficiary thereto.



11.2. The Transferee Company and/or the Transferor Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any arrangements, confirmations or novations in order to give formal effect to the provisions of this Scheme. The Transferee Company shall be deemed to be authorised 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. TAX

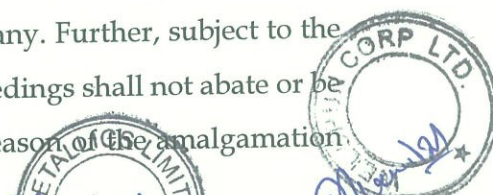
12.1. With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess payable / receivable by the Transferor Company including all or any refunds / credits shall be treated as the asset / liability or refunds / credits as the case may be, of the Transferee Company. The Transferee Company shall be entitled to get credit / claim of refund of any tax paid and / or any deduction at source or tax collected at source on or after the Appointed Date.

12.2. Any tax liabilities under the Income Tax Act, 1961 or other Applicable Laws/regulations dealing with taxes/ duties/ levies allocable or related to the Transferor Company whether or 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 Transferee Company.

12.3. Without prejudice to the generality, all benefits to which the Transferor Company is entitled to in terms of the Applicable Laws, shall be available to and vest in the Transferee Company.

12.4. Upon the Scheme becoming effective, with effect from the Appointed Date, the Transferor Company and the Transferee 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, GST laws and other laws, if required, to give effects to provisions of the Scheme.

12.5. All tax assessments proceedings/appeals of whatsoever nature by or against the Transferor Company pending at and/or arising after the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, the tax proceedings/ appeals shall be continued and enforced by or against the Transferor Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, subject to the provisions of the relevant statutes the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation.



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

12.6. All expenses incurred by the Transferor Company under section 43B of the Income-tax Act, 1961, shall be claimed as deduction by the Transferee Company as and when the same is paid subsequent to the Appointed Date.

12.7. Any refund due to the Transferor Company consequent to the assessments made on the Transferor Company and for which no credit is taken in the books as on the date immediately preceding the Appointed Date shall belong to and be received by the Transferee Company.

13. **SAVING OF CONCLUDED TRANSACTIONS**

The transfer of assets, properties and liabilities under Clause 4 above and the continuance of proceedings by or against the Transferor Company under Clause 9 above shall not affect any transaction or proceedings already concluded by the Transferor Company till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by on behalf of the Transferee Company.

14. **DISSOLUTION OF THE TRANSFEROR COMPANY**

Upon the Scheme becoming effective, the Transferor Company shall stand dissolved automatically without winding up in accordance with the provisions of Section 230 and 232 of the Act.

CHAPTER III

GENERAL CLAUSES, TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME

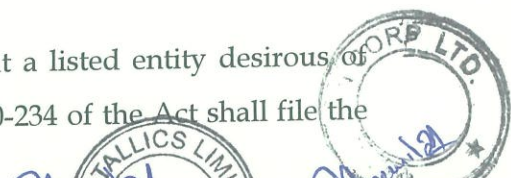
15. **APPLICATION TO THE HON'BLE TRIBUNAL**

The Transferor Company and the Transferee Company as may be directed by the Hon'ble Tribunal shall make all necessary application and petition under Sections 230 to 232 and other applicable provisions of the Act, for seeking approval of the Scheme.

16. **LISTING AGREEMENT AND SEBI COMPLIANCES**

16.1. Since the Transferee Company is a listed company, this Scheme is subject to compliances of all the requirements under the Listing Regulations and all statutory directives of the Securities Exchange Board of India ('SEBI') insofar as they relate to sanction and implementation of this Scheme.

16.2. Regulation 37(1) of the Listing Regulations provides that a listed entity desirous of undertaking a scheme of arrangement under Sections 230-234 of the Act shall file the



draft scheme of arrangement with the stock exchange(s) on which the listed entity is listed in order to obtain the No Objection Certificate. Only after the No Objection Certificate is obtained, the scheme of arrangement can be filed with Hon'ble Tribunal. However, the requirement to obtain No Objection Certificate from the stock exchange(s) before filing the scheme of arrangement with the Hon'ble Tribunal has been relaxed in case of merger of a wholly-owned subsidiary with its holding company – Regulation 37(6) of the Listing Regulations. Proviso to Regulation 37(6) of the Listing Regulations provides that the draft scheme shall be filed with the stock exchange(s) for disclosure purpose. Accordingly, this Scheme shall be filed with the stock exchange(s) for disclosure purpose.

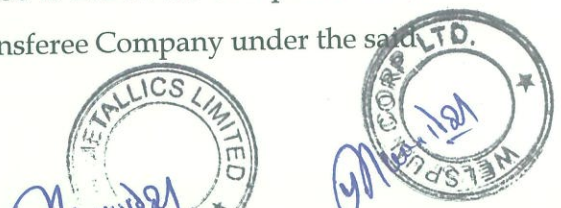
17. MODIFICATION OR AMENDMENTS TO THE SCHEME

The Transferor Company and the Transferee Company by their respective Board of Directors, may assent to/make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the Hon'ble Tribunal and/or any other authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate, subject to approval of the Hon'ble Tribunal, as a result of subsequent events or otherwise by them (i.e., the Board of Directors). The Transferor Company and the Transferee Company by their respective Board of Directors are authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme, whether by reason of any directive or orders of any other authorities or otherwise howsoever, arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

18. CONDITIONALITY OF THE SCHEME

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

- 18.1. The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.
- 18.2. The Scheme being approved by the requisite majority in number and value of such classes of persons including the respective members and/or creditors of the Transferor Company and the Transferee Company as may be directed by the Hon'ble Tribunal or such other competent authority.
- 18.3. The sanction of the Hon'ble Tribunal under sections 230 to 232 of the Companies Act, 2013 in favour of the Transferor Company and the Transferee Company under the said provisions and the necessary order being obtained.



19. **DIVIDENDS**

19.1. The Transferor Company or the Transferee Company shall be entitled to declare dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date.

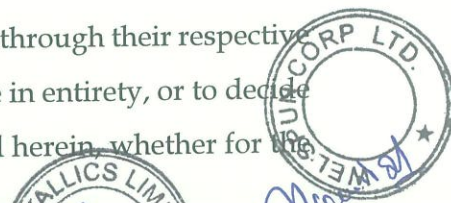
19.2. It is clarified that the aforesaid provisions in respect of declaration of dividend are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Transferor Company and/or the Transferee Company to demand or claim any dividend which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors, and if applicable in accordance with the provisions of the Act, be subject to the approval of the shareholders.

20. **EFFECT OF NON-RECEIPT OF APPROVALS**

20.1. In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/or the Scheme not being sanctioned by the Hon'ble Tribunal or such other competent authority and/or the order not being passed as aforesaid before 31st December 2024 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their respective Board of Directors or any committee thereof (and which the Board of Directors of the companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

20.2. If any Chapter (or part thereof) of the Scheme is invalid, ruled illegal by the Hon'ble Tribunal of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such Chapter (or part thereof) shall be severable from the remainder of the Scheme and the Scheme shall not be affected thereby, unless the deletion of such Chapter (or part thereof) shall cause the Scheme to become materially adverse to any party, in which case the Companies (acting through its respective Boards of Directors), to which such Chapter (or part thereof) relates to and the Transferor Company and the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such Chapter (or part thereof).

20.3. The Transferor Company and the Transferee Company (acting through their respective Boards of Directors) shall be at liberty to withdraw the Scheme in entirety, or to decide not to give effect to any one or more of the Chapters contained herein, whether for the



reason of any condition or alteration imposed by the Hon'ble Tribunal or any other governmental/regulatory authority not being acceptable to them, or otherwise.

21. **EXPENSES CONNECTED WITH THE SCHEME**

Save and except as provided elsewhere in the Scheme, all costs, charges, taxes including duties, levies and all other expenses including registration fee of any deed, in relation to or in connection with negotiations leading upto the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of the Scheme shall be borne and paid by the Transferee Company.

