

SCHEME OF AMALGAMATION
(UNDER SECTIONS 230 AND 232 OF THE COMPANIES ACT, 2013)

BETWEEN

TEXMACO HITECH PRIVATE LIMITED

AND

BRIGHT POWER PROJECTS (INDIA) PRIVATE LIMITED

AND

TEXMACO RAIL & ENGINEERING LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Certified to be true copy

For Texmaco Rail & Engineering Limited


Ravi Varma
Company Secretary

1. OVERVIEW, OBJECTIVES AND BENEFITS OF THIS SCHEME

1.1 Brief overview of each company

1.1.1 Texmaco Hitech Private Limited (“Amalgamating Company 1”):

The Amalgamating Company 1 is a private limited company incorporated under the 1956 Act, having its registered office at Belgharia, Kolkata – 700056. The CIN of the Amalgamating Company 1 is CIN U35201WB2009PTC133330. The Amalgamating Company 1 is authorized to engage in the business of designing, manufacturing and trading in fabricated locomotive bogie frames and wagons, and providing customer support services, management services and other consultancy services pertaining to the above. It was intended to cater to the huge requirement of locomotive, wagon and coach components for Australian market, however, with shrinking a commodity market, the Australian demand dried up and the Amalgamating Company 1 is presently catering to the diverse sectors of industries including Railways, both in India and abroad.

1.1.2 Bright Power Projects (India) Private Limited (“Amalgamating Company 2”):

The Amalgamating Company 2 is a private limited company incorporated under the 1956 Act, having its registered office at Belgharia, Kolkata – 700056. The CIN of the Amalgamating Company 2 is U32109WB1994PTC220449. The Amalgamating Company 2 is authorized to engage in the business of electrical engineering, manufacturing and trading in industrial goods and equipment and execution of and providing consultancy services in regard to electro-mechanical engineering contracts and is primarily engaged in and specialises in electrification solutions for the Railways and diverse sectors such as power, utilities, Metro Rail System, petrochemicals, pharmaceuticals, etc. It is also engaged in supplying and installation of overhead electrical equipment (OHE) to various entities of Indian Railways.

The “Amalgamating Company 1” and the “Amalgamating Company 2” may hereinafter be referred to as such, or collectively, as the “**Amalgamating Companies**”, and individually as the “**Amalgamating Company**”, as the case may be.

1.1.3 Texmaco Rail & Engineering Limited (“Amalgamated Company”):

(i) The Amalgamated Company is a public limited company incorporated under the 1956 Act, having its registered office at Belgharia, Kolkata – 700056. The CIN of the Amalgamated Company is L29261WB1998PLC087404. The equity shares of the Amalgamated Company are listed on the Stock Exchanges. The Amalgamated Company was incorporated as Texmaco Machines Private Limited on June 25, 1998 and changed its name to Texmaco Machines Limited on March 3, 2010, which was subsequently changed to Texmaco Rail & Engineering Limited with effect from April 23, 2010.

(ii) The Amalgamated Company is involved in the business of manufacturing of rolling stock, such as wagons, coaches, EMUs loco shells & parts, etc., hydro

mechanical equipments, steel castings, Rail EPC, bridges and other steel structures.

1.2 **Overview, Objectives and Benefits of this Scheme**

1.2.1 Pursuant to and under the provisions of Sections 230 and 232 of the 2013 Act and the other relevant provisions made under the 1956 Act and/or the 2013 Act, the Amalgamating Company 1, the Amalgamating Company 2, and the Amalgamated Company propose, through this Scheme, to amalgamate the Amalgamating Companies into and with the Amalgamated Company.

1.2.2 This Scheme is segregated into the following five (5) parts:

- (i) Part - I sets-forth the overview, objectives and benefits of this Scheme;
- (ii) Part - II sets-forth the capital structure of the Amalgamating Companies and the Amalgamated Company and also deals with the change in authorised share capital of the Amalgamated Company pursuant to and in terms of this Scheme.
- (iii) Part - III deals with the amalgamation of the Amalgamating Company 1 into and with the Amalgamated Company, in accordance with Section 2(1B) of the Income Tax Act, 1961 and Sections 230 and 232 of the 2013 Act;
- (iv) Part - IV deals with the amalgamation of the Amalgamating Company 2 into and with the Amalgamated Company, in accordance with Section 2(1B) of the Income Tax Act, 1961 and Sections 230 and 232 of the 2013 Act;
- (v) Part - V deals with change in share capital, the payment of consideration by the Amalgamated Company to the shareholders of the Amalgamating Companies and certain specified accounting treatments in the books of the Amalgamated Company pursuant to and in terms of this Scheme; and
- (vi) Part - VI deals with the general terms and conditions applicable to this Scheme.

1.2.3 This Scheme of Amalgamation shall result in:

- (i) consolidation of the businesses presently being carried on by the Amalgamating Companies and the Amalgamated Company, which shall create greater synergies between the business operations of all the companies;
- (ii) optimal utilisation of resources due to pooling of management, administrative and technical skills of various resources of all the companies, better administration, and cost reduction, including reduction in managerial, administrative and other common costs;
- (iii) better alignment, coordination and streamlining of day to day operations of all the companies, leading to improvement in overall working culture and environment;
- (iv) creation of large asset base and facilitating access to better financial resources; and

- (v) creation of value for various stakeholders and shareholders (including public shareholders) of both the Amalgamating Companies and that of the Amalgamated Company, as a result of the foregoing.

1.3 Definitions

In this Scheme, unless repugnant to the subject, context or meaning thereof, the following capitalised words and expressions shall have the meanings set forth below:

- 1.3.1 “**1956 Act**” means the Companies Act, 1956 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto;
- 1.3.2 “**2013 Act**” means the Companies Act, 2013 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto and/or any re-enactment thereof;
- 1.3.3 “**Appointed Date**” means April 01, 2017, being the date with effect from which this Scheme shall, post effectiveness of this Scheme, be operative, i.e., the date with effect from which the Amalgamating Companies shall be deemed to have been amalgamated and merged into and with the Amalgamated Company;
- 1.3.4 “**Amalgamated Company**” has the meaning ascribed to such a term in Clause 1.1.3;
- 1.3.5 “**Amalgamating Company 1**” has the meaning ascribed to such a term in Clause 1.1.1, and notwithstanding anything to the contrary in this Scheme, means and includes:
 - (i) all assets, wherever located (including in the possession of vendors, third parties or elsewhere), whether real, personal or mixed, tangible, intangible, present, future or contingent, including but not limited to immovable properties, land and buildings, movable assets, and other plant, machinery and equipment, whether licensed, leased or otherwise held, title, interests, financial assets, investments, loans, application monies, advance monies, earnest monies and/or security deposits or advances (including accrued interest) and other payments (in any such case whether paid by or deemed to have been paid by the Amalgamating Company 1), covenants, undertakings and rights and benefits, including rights and benefits pertaining to any security arrangements, receivables, claims against any third parties, guarantees (including bank and performance guarantees), letters of credit, reversions, tenancies and other such arrangements or facilities;
 - (ii) all debts, borrowings, duties, guarantees, assurances, commitments, obligations and liabilities (including deferred tax liabilities and contingent liabilities) of the Amalgamating Company 1, both present and future of every kind, nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, whether provided for or not in the books of accounts or disclosed in the balance sheet including, without limitation, whether arising out of any contract or tort based on negligence or strict liability or under any licences or permits or schemes;
 - (iii) all contracts, agreements, engagements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of

agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, sales tax credits, excise & service tax credits and goods & services tax credits, income tax credits, credit of all taxes paid for which return has not been filed, or return has been filed but refund has not been claimed, or return has been filed, refund has been claimed but not yet received by the Amalgamating Company 1, privileges and benefits of all contracts, agreements and all other rights, including license rights, lease rights, powers and facilities of every kind and description whatsoever or other understandings, deeds and instruments of whatsoever nature to which the Amalgamating Company 1 is a party, including agreements with any government entity, department, commission, board, agency, bureau, official, etc., sale agreements, agreements to sell, equipment purchase agreements, hire purchase agreements, lending agreements and other agreements with the customers, sales orders, purchase orders and other agreements and contracts with the supplier of goods or service providers and all rights, title, interests, claims and benefits there under of whatsoever nature to which the Amalgamating Company 1 is a party;

- (iv) all intellectual property rights, registrations, trademarks, trade names, service marks, copyrights, patents, designs, technical know-how, domain names, including applications for trademarks, trade names, service marks, copyrights, designs and domain names, used by or held for use by the Amalgamating Company 1, whether or not recorded in the books of accounts of the Amalgamating Company 1, and other intellectual rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, list of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to the business activities and operations of the Amalgamating Company 1, whether used or held for use by it;
- (v) all permits, licenses, consents, approvals, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, subsidies, tax deferrals, and benefits (including sales tax and service tax), income tax benefits and exemptions (including the right to claim tax holiday under the Income Tax Act, 1961), no-objection certificates, certifications, easements, tenancies, privileges and similar rights, whether statutory or otherwise, and any waiver of the foregoing, issued by any legislative, executive or judicial unit of any governmental or semi-government entity or any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority used or held for use by the Amalgamating Company 1;
- (vi) any and all employees, who are on the payrolls of the Amalgamating Company 1, employees/personnel engaged on contract basis and contract labourers and interns/trainees, engaged by the Amalgamating Company 1, at its respective offices, branches or otherwise; and
- (vii) all books, records, files, papers, directly or indirectly relating to the Amalgamating Company 1.

1.3.6 “**Amalgamating Company 2**” has the meaning ascribed to such a term in Clause 1.1.2, and notwithstanding anything to the contrary in this Scheme, means and includes:

- (i) all assets, wherever located (including in the possession of vendors, third parties or elsewhere), whether real, personal or mixed, tangible, intangible, present, future or contingent, including but not limited to immovable properties, land and buildings, movable assets, and other plant, machinery and equipment, whether licensed, leased or otherwise held, title, interests, financial assets, investments, loans, application monies, advance monies, earnest monies and/or security deposits or advances (including accrued interest) and other payments (in any such case whether paid by or deemed to have been paid by the Amalgamating Company 2), covenants, undertakings and rights and benefits, including rights and benefits pertaining to any security arrangements, receivables, claims against any third parties, guarantees (including bank and performance guarantees), letters of credit, reversions, tenancies and other such arrangements or facilities;
- (ii) all debts, borrowings, duties, guarantees, assurances, commitments, obligations and liabilities (including deferred tax liabilities and contingent liabilities) of the Amalgamating Company 2, both present and future of every kind, nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, whether provided for or not in the books of accounts or disclosed in the balance sheet including, without limitation, whether arising out of any contract or tort based on negligence or strict liability or under any licences or permits or schemes;
- (iii) all contracts, agreements, engagements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, sales tax credits, excise & service tax credits and goods & services tax credits, income tax credits, credit of all taxes paid for which return has not been filed, or return has been filed but refund has not been claimed, or return has been filed, refund has been claimed but not yet received by the Amalgamating Company 2, privileges and benefits of all contracts, agreements and all other rights, including license rights, lease rights, powers and facilities of every kind and description whatsoever or other understandings, deeds and instruments of whatsoever nature to which the Amalgamating Company 2 is a party, including agreements with any government entity, department, commission, board, agency, bureau, official, etc., sale agreements, agreements to sell, equipment purchase agreements, hire purchase agreements, lending agreements and other agreements with the customers, sales orders, purchase orders and other agreements and contracts with the supplier of goods or service providers and all rights, title, interests, claims and benefits there under of whatsoever nature to which the Amalgamating Company 2 is a party;
- (iv) all intellectual property rights, registrations, trademarks, trade names, service marks, copyrights, patents, designs, technical know-how, domain names, including applications for trademarks, trade names, service marks, copyrights, designs and domain names, used by or held for use by the Amalgamating Company 2, whether or not recorded in the books of accounts of the Amalgamating Company 2, and other intellectual rights of any nature whatsoever, books, records, files, papers,

engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, list of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to the business activities and operations of the Amalgamating Company 2, whether used or held for use by it;

- (v) all permits, licenses, consents, approvals, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, subsidies, tax deferrals, and benefits (including sales tax and service tax), income tax benefits and exemptions (including the right to claim tax holiday under the Income Tax Act, 1961), no-objection certificates, certifications, easements, tenancies, privileges and similar rights, whether statutory or otherwise, and any waiver of the foregoing, issued by any legislative, executive or judicial unit of any governmental or semi-government entity or any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority used or held for use by the Amalgamating Company 2;
- (vi) any and all employees, who are on the payrolls of the Amalgamating Company 2, employees/personnel engaged on contract basis and contract labourers and interns/trainees, engaged by the Amalgamating Company 2, at its respective offices, branches or otherwise; and
- (vii) all books, records, files, papers, directly or indirectly relating to the Amalgamating Company 2.

1.3.7 “**Board of Directors**” in relation to either of the Amalgamating Companies and/or the Amalgamated Company, as the case may be, means their respective board of directors, and unless repugnant to the subject, context or meaning thereof, shall be deemed to include every committee (including any committee of directors) or any person authorised by the board of directors or by any such committee;

1.3.8 “**Effective Date**” means the date on which all the conditions and matters referred to in Clause 6.4 of this Scheme have been fulfilled. Any references in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” means and refers to the Effective Date;

1.3.9 “**NCLT**” means the Hon’ble National Company Law Tribunal, Kolkata Bench;

1.3.10 “**Record Date**” means the date to be fixed by the Board of Directors of the Amalgamated Company in terms of Clause 6.7, in consultation with the Board of Directors of the Amalgamating Company 2;

1.3.11 “**Scheme**” means this Scheme of Amalgamation for the amalgamation of the Amalgamating Companies into and with the Amalgamated Company, along with all annexures, schedules and appendices, if any, and as modified or amended from time to time in accordance with applicable laws and with the requisite approval of NCLT;

1.3.12 “**Stock Exchanges**” mean (with respect to the Amalgamated Company) the National Stock Exchange of India Limited, BSE Limited and The Calcutta Stock Exchange Limited; and

1.3.13 “**Valuation Report**” has the meaning ascribed to such a term in Clause 5.3.2

1.4 **Interpretation**

1.4.1 Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the meaning ascribed to such terms and expressions under the 1956 Act or the 2013 Act, as applicable, and if not defined therein then under other relevant statutes, such as the Income Tax Act, 1961, 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, bye-laws, as the case may be, including any statutory modification or re-enactment thereof.

1.4.2 In this Scheme, unless the context otherwise requires:

- (i) references to “persons” shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
- (ii) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of the relevant provision;
- (iii) references to one gender includes all genders; and
- (iv) words in the singular shall include plural and *vice versa*.

PART - II

2. CAPITAL STRUCTURE

2.1 Amalgamating Company 1

The capital structure of the Amalgamating Company 1, as of August 31, 2017, is as under:

Share Capital	Amount in Rs.
Authorised Capital	
3,50,00,000 equity shares of Rs. 10 each	35,00,00,000
65,00,000 preference shares of Rs. 100 each	65,00,00,000
Total	100,00,00,000
Issued, Subscribed and Paid-up	
2,34,50,000 equity shares of Rs. 10 each	23,45,00,000
60,00,000 preference shares of Rs. 100 each	60,00,00,000
Total	83,45,00,000

2.2 Amalgamating Company 2

The capital structure of the Amalgamating Company 2, as of August 31, 2017, is as under:

Share Capital	Amount in Rs.
Authorised Capital	
20,00,000 equity shares of Rs. 10 each	2,00,00,000
Total	2,00,00,000
Issued, Subscribed and Paid-up	
13,00,000 equity shares of Rs. 10 each	1,30,00,000
Total	1,30,00,000

2.3 Amalgamated Company

The capital structure of the Amalgamated Company, as of August 31, 2017 is as under:

Share Capital	Amount in Rs.
Authorised	
95,00,00,000 equity shares of Re. 1 each	95,00,00,000
Total	95,00,00,000
Issued, Subscribed and Paid-up	
21,96,02,843 equity shares of Re. 1 each	21,96,02,843
Total	21,96,02,843

The shares of the Amalgamated Company are, at present, listed on the Stock Exchanges.

2.4 Transfer of authorised share capital of the Amalgamating Companies to the Amalgamated Company

2.4.1 Upon this Scheme becoming effective and with effect from the Appointed Date, the authorised share capital of the Amalgamating Companies, shall stand transferred to and be

merged with the authorised share capital of the Amalgamated Company, without any liability for payment of any additional fees or stamp duty.

- 2.4.2 Upon this Scheme coming into effect and with effect from the Appointed Date, and consequent to transfer of the existing authorised share capital of the Amalgamating Companies in accordance with Clause 2.4.1, the authorised share capital of the Amalgamated Company of Rs. 95,00,00,000 (Rupees Ninety Five crore) divided into 95,00,00,000 (Ninety Five crore) equity shares of Re. 1 (Rupee one) each, shall stand enhanced by an aggregate amount of Rs. 1,02,00,00,000 (Rupees one hundred two crore), and the resultant authorised share capital of the Amalgamated Company shall be Rs. 1,97,00,00,000 (Rupees One hundred ninety seven crore), divided into 1,97,00,00,000 (One hundred ninety seven crore) equity shares of Re. 1 (Rupee one) each. Accordingly, clause 5 of the Memorandum of Association of the Amalgamated Company shall stand modified and be substituted by the following:

“The Authorised Share Capital of the Company is Rs. 1,97,00,00,000 (Rupees One hundred ninety seven crore), divided into 1,97,00,00,000 (One hundred ninety seven crore) equity shares of Re. 1 (Rupee one) each, with the rights, privileges and conditions attaching thereto as may be provided by the Articles of Association of the Company for the time being, with power to increase and reduce the share capital of the Company and to divide the shares in the share capital for the time being into several classes and to attach there to respectively such preferential, deferred, guaranteed, qualified or special rights, privileges and conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company”

2.5 **Alteration of the main objects**

The main objects of the Amalgamated Company shall stand altered by adding two new paragraphs namely Paragraph 7 and 8, which shall stand inserted immediately after paragraph 6 and shall read as under:

- “7. *To promote, establish, acquire and run or otherwise carry on the business of Electrical Engineering, Manufacturing of and trading in Industrial Goods and equipments, execution of Electro-mechanical, overhead electrification, substation installation, power transmission line works and Contracts, providing consultancy services and advising in electro mechanical engineering matters for Industries.*

8. *To carry on the business of designing, manufacturing, producing, processing, importing, exporting, marketing, trading, distributing, supplying, servicing, assembling, warehousing, developing, engineering, testing, integrating, altering, customizing, building, converting, dismantling, fabricating, maintaining, managing, modifying, refitting, refurbishing, repairing, reconstructing, remanufacturing, renovating, reconditioning, remodelling, advising, consulting and dealing in all descriptions, specifications, modalities, capacities, strengths, shapes, sizes, varieties, of fabricated locomotive bogie frames and wagons and to provide customer support services, after sales services, logistics support services, business management systems, back office operations, engineering support services, system integration services, integrations and management systems,*

market research and market support services, information technology support services, calibration, research and development, management services and other services in relation to the activities mentioned hereinabove.”

- 2.6 It is hereby clarified that the consent of the shareholders of the Amalgamating Companies and the Amalgamated Company to this Scheme shall be sufficient for the purposes of effecting the aforesaid amendment in the Memorandum of Association of the Amalgamated Company and that no further resolutions, whether under Sections 13 of the 2013 Act, or any other applicable provisions of the 1956 Act and/or the 2013 Act or under the Articles of Association, shall be required to be separately passed, nor shall the Amalgamated Company be required to pay any additional registration fees, stamp duties, etc., in relation to such increase in its authorised share capital.

3. AMALGAMATION OF AMALGAMATING COMPANY 1 INTO AND WITH THE AMALGAMATED COMPANY

3.1 Transfer and vesting of assets and liabilities and entire business of the Amalgamating Company 1

Upon this Scheme becoming effective and with effect from the Appointed Date, all present and future assets and liabilities, whether or not recorded in the books of accounts of the Amalgamating Company 1, and the entire business of the Amalgamating Company 1, shall stand transferred to and vested in the Amalgamated Company, as a going concern, without any further act or deed, as per the provisions contained herein.

3.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, with effect from the Appointed Date and upon this Scheme becoming effective:

- (i) all assets of the Amalgamating Company 1, that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/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 physical or constructive delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly.
- (ii) all other movable properties of the Amalgamating Company 1, including investments in shares and any other securities, 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, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Amalgamated Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. The Amalgamated Company may, if it so deems appropriate, give notice in such form as it deems fit and proper, to each such debtor or obligor, that pursuant to the sanction of this Scheme by NCLT, such debt, loan, advance, claim, bank balance, deposit or other asset be paid or made good or held on account of the Amalgamated Company as the person entitled thereto, to the end and intent that the right of the Amalgamating Company 1 to recover or realise all such debts (including the debts payable by such debtor or obligor to the Amalgamating Company 1) stands transferred and assigned to the Amalgamated Company and that appropriate entries should be passed in the books of accounts of the relevant debtors or obligors to record such change. It is hereby clarified that investments, if any, made by the Amalgamating Company 1 and all the rights, title and interest of the Amalgamating Company 1 in any licensed properties or leasehold properties shall, pursuant to Section 232 of the 2013 Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Amalgamated Company.

- (iii) all immovable properties of the Amalgamating Company 1, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Amalgamating Company 1, whether freehold or leasehold or licensed or otherwise and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in the Amalgamated Company, without any further act or deed done or being required to be done by the Amalgamating Company 1 and/or the Amalgamated Company. The Amalgamated Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Amalgamated Company by the appropriate authorities pursuant to the sanction of this Scheme by NCLT in accordance with the terms hereof.
- (iv) all debts, liabilities, contingent liabilities, duties and obligations, whether secured or unsecured or whether provided for or not in the books of account or disclosed in the financial statements 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 shall, and does hereby undertake to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. It is hereby clarified that subject to the requirements under applicable law, 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 3.2.

All loans, advances and other obligations due from the Amalgamating Company 1 to the Amalgamated Company or *vice versa* shall stand cancelled and shall have no effect.

- (v) all contracts, deeds, bonds, agreements, schemes, arrangements, approvals, certificates, leases, registrations and other instruments, permits, rights, subsidies, concessions, entitlements, licenses (including the licenses granted by any governmental, statutory or regulatory bodies) for the purpose of carrying on the business of the Amalgamating Company 1, and in relation thereto, and 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 obligor thereto. Without prejudice to the generality of the foregoing, all leave and licence agreements, deeds, lease agreements/deeds, bank guarantees, performance guarantees, letters of credit, agreements with any government entity, department, commission, board, agency, bureau or official, hire purchase agreements, lending agreements and such other agreements, deeds, documents and arrangements pertaining to the business of the 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, including all rights and benefits (including benefits of any deposit, advances, receivables or claims) arising or accruing therefrom, shall, with effect from the Appointed Date and upon this Scheme becoming effective, by operation of law pursuant to the vesting orders of NCLT, be deemed to be contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses of the Amalgamated Company. In relation to the same any procedural requirements required to be fulfilled solely by the Amalgamating Company 1 (and not by any of its successors) shall be fulfilled by the Amalgamated Company as if it is the duly constituted attorney of that Amalgamating Company 1. All agreements entered into by the Amalgamating Company 1 shall stand transferred and be vested in favour of the Amalgamated Company on the same terms and conditions. The Amalgamated Company and the other parties to such agreements shall continue to comply with the terms, conditions and covenants thereunder.

- (vi) any notice, disputes, pending suits, appeals or other proceedings of whatsoever nature relating to the Amalgamating Company 1, whether by or against it, shall not abate, be discontinued or in any way be 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 would or might have been continued, prosecuted and/or enforced by or against the Amalgamating Company 1 as if this Scheme had not been implemented.
- (vii) all employees, who are on the payrolls of the Amalgamating Company 1, employees/personnel engaged on contract basis and contract labourers and interns/trainees of the Amalgamating Company 1, who are on its payrolls shall become employees, employees/personnel engaged on contract basis, contract labourers or interns/trainees, as the case may be, of the Amalgamated Company with effect from the Effective Date, on such terms and conditions as are no less favourable in aggregate 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, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, 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, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds and/or schemes maintained by the Amalgamating Company 1, in accordance with the provisions of applicable laws, the provisions of such funds and/or schemes in the respective trust deeds or other documents or otherwise. 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.

The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme or

benefits created by the Amalgamating Company 1 for its employees shall be continued on the same terms and conditions or be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Amalgamated Company or as may be created by the Amalgamated Company for such purpose. Pending such transfer, the contributions required to be made in respect of such employees shall continue to be made by the Amalgamated Company to the existing funds maintained by the Amalgamating Company 1.

The Amalgamated Company undertakes that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the employees of the Amalgamating Company 1, the past services of such employees with the Amalgamating Company 1 shall also be taken into account and it shall pay the same accordingly, as and when such amounts are due and payable. Upon this Scheme becoming effective, the Amalgamating Company 1 will transfer/handover to the Amalgamated Company, copies of employment information, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to its and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.

The Amalgamated Company shall continue to abide by any agreement(s)/ settlement(s) entered into by the Amalgamating Company 1 with any of its employees prior to the Appointed Date, and/or from the Appointed Date till the Effective Date.

The Amalgamated Company has granted stock options to certain employees in terms of the "Texmaco Employees Stock Option Scheme 2014" ("ESOS 2014"). In terms of ESOS 2014, the Compensation Committee constituted by the Board of Directors of the Amalgamated Company has *inter alia* the power to determine the procedure for making a fair and reasonable adjustment to the number of stock options and to the exercise price in case of corporate actions such as the amalgamation of the Amalgamating Company 1 into and with the Amalgamated Company that is being contemplated in terms of this Scheme. In light of the above provisions of ESOS 2014, the Compensation Committee of the Amalgamated Company shall make appropriate adjustment to the number of stock options and/or to the exercise price, in accordance with the provisions of ESOS 2014 and applicable laws. Notwithstanding anything to the contrary contained in this Scheme, no employee of the Amalgamating Company 1 shall be entitled to any stock options in terms of ESOS 2014 on account of this Scheme; provided, however, upon this Scheme becoming effective, the Compensation Committee of the Amalgamated Company shall be entitled to, in terms of ESOS 2014, offer any stock option to any of the employees of the Amalgamating Company 1 who shall become employees of the Amalgamated Company upon the Scheme becoming effective, as it may deem fit. The approval of this Scheme by the shareholders of Amalgamated Company and Amalgamating Company 1 shall be deemed to be a consent to the aforesaid arrangement in regard to ESOS 2014 and all other relevant

matters undertaken in relation to ESOS 2014, and no further approval of the shareholders shall be required in terms either the 2013 Act or the 1956 Act.

- (viii) all the intellectual property rights of any nature whatsoever, including any and all registrations, goodwill, licenses, trademarks, service marks, copyrights, domain names, patents, applications for copyrights, patents, trade names and trade marks, appertaining to the Amalgamating Company 1, if any, shall stand transferred to and vested in the Amalgamated Company.
- (ix) all taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, etc.) payable by or refundable to or being the entitlement of the Amalgamating Company 1, including all or any refunds or claims shall be treated as the tax liability or refunds/credits/claims, as the case may be, of the Amalgamated Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, tax losses including brought forward business loss, unabsorbed depreciation, etc., as would have been available to the Amalgamating Company 1, shall upon to this Scheme becoming effective, be available to the Amalgamated Company.
- (x) the accounts of the Amalgamated Company as on the Appointed Date shall be revised in accordance with the applicable provisions and terms of this Scheme. The Amalgamated Company shall be entitled to revise its Income Tax returns, TDS returns, GST returns and other statutory returns as may be required under respective statutes pertaining to Indirect Taxes, such as Sales-Tax, Value Added Tax, Excise Duties, Service Tax and/or duties under Central Goods and Services Tax Act, 2017, the relevant State / Union Territory's legislation in terms of the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Act, etc.
- (xi) all approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description whatsoever in relation to the Amalgamating Company 1, or to the benefit of which the Amalgamating Company 1 may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect 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.
- (xii) benefits of any and all corporate approvals as may have already been taken by the Amalgamating Company 1, whether being in the nature of compliances or otherwise, including without limitation, approvals under Sections 180, 186 and 188 of the 2013 Act and any other approvals under either the 1956 Act or the 2013 Act shall stand transferred to the Amalgamated Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Amalgamated Company to the extent permitted under the 2013 Act.

- (xiii) all estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Amalgamating Company 1 shall be deemed to have been accrued to and/or acquired for and on behalf of the Amalgamated Company and shall, upon this Scheme becoming effective, pursuant to Section 232 of the 2013 Act and other applicable provisions of the 1956 Act and/or the 2013 Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Amalgamated Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Amalgamated Company.
- (xiv) all lease/license or rent agreements entered into by the Amalgamating Company 1 with various landlords, owners and lessors, together with security deposits and advance/prepaid lease/license fee, etc., shall stand automatically transferred and vested in favour of the Amalgamated Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The Amalgamated Company shall continue to pay rent, or lease or license fee as provided for in such agreements, and the Amalgamated Company and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants thereunder. Without limiting the generality of the foregoing, the Amalgamated Company shall also be entitled to refund of security deposits paid under such agreements by the Amalgamating Company 1.
- (xv) all electricity connections and tariff rates in respect thereof sanctioned by various public sector and private companies, boards, agencies and authorities to the Amalgamating Company 1, together with security deposits and all other advances paid, shall stand automatically transferred and vested in favour of the Amalgamated Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The relevant electricity companies, boards, agencies and authorities shall issue invoices in the name of the Amalgamated Company with effect from the billing cycle commencing from the month immediately succeeding the month in which an intimation of the approval of this Scheme by NCLT and of the effectiveness of the Scheme is filed by the Amalgamated Company with them. The Amalgamated Company and the relevant electricity companies, boards, agencies and authorities shall continue to comply with the terms, conditions and covenants associated with the grant of such connection. Without limiting the generality of the foregoing, the Amalgamated Company shall also be entitled to refund of security deposits paid to or placed with such electricity companies, boards, agencies, municipal corporation, statutory and other authorities by the Amalgamating Company 1.

3.3 Upon this Scheme becoming effective and the consequent amalgamation of the Amalgamating Company 1 into and with the Amalgamated Company, the secured creditors of the Amalgamated Company shall only continue to be entitled to security over such properties and assets forming part of the Amalgamated Company, as existing immediately prior to the amalgamation of the Amalgamating Company 1 into and with the Amalgamated Company and the secured creditors of the Amalgamating Company 1 shall continue to be entitled to security over such properties, assets, rights, benefits and interest of and in the Amalgamating Company 1, as existing immediately prior to the amalgamation of the Amalgamating Company 1 into and with the Amalgamated Company. It is hereby clarified that all the assets of Amalgamated Company and the Amalgamating Company 1, which are not currently encumbered, shall remain free and available for creation of any

security thereon in future in relation to any new indebtedness that may be incurred by the Amalgamated Company. For this purpose, no further consent from the existing secured creditors shall be required and sanction of this Scheme shall be considered as a specific consent of such secured creditors of the Amalgamating Company 1 or of the Amalgamated Company, as the case may be.

3.4 The Amalgamating Company 1 and/or the Amalgamated Company, as the case may be, shall, at any time after this Scheme comes into effect in accordance with the provisions hereof, if so required under any law or otherwise, execute appropriate deeds of confirmation 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, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions hereof, be deemed to be authorised to execute any such writings for and 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.

3.5 The Amalgamating Company 1 and/or the Amalgamated Company, as the case may be, shall, at any time after this Scheme comes into effect in accordance with the provisions hereof, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Amalgamating Company 1. It is hereby clarified that if the consent of any third party or government authority is required to give effect to the provisions of this clause, the said third party or government authority shall make and duly record the necessary substitution/endorsement in the name of the Amalgamated Company pursuant to the sanction of this Scheme by NCLT, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Amalgamated Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Company 1 and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

3.6 **Conduct of Businesses till Effective Date**

3.6.1 With effect from the Appointed Date and up to and including 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;
- (ii) all profits or income arising or accruing in favour of the Amalgamating Company 1 and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax credit, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, etc.) or losses arising or incurred by the Amalgamating Company 1 shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses, as the case may be, of the Amalgamated Company;

- (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 commitment of any nature whatsoever, borrow any amount or incur any other liabilities or expenditure, issue any additional guarantee, indemnity, 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 the Scheme;
 - (b) when the same is in the ordinary course of business as carried on by the Amalgamating Company 1; or
 - (c) when written consent of the Amalgamated Company has been obtained in this regard.
 - (iv) except by mutual consent of the Boards of Directors of the Amalgamating Company 1 and the Amalgamated Company, or except pursuant to any prior commitment, obligation or arrangement existing or undertaken by the Amalgamating Company 1 and/or the Amalgamated Company as on the date of filing of this Scheme with NCLT, or except as contemplated in this Scheme, pending sanction of this Scheme by NCLT, the Amalgamating Company 1 and/or the Amalgamated Company shall not make any change in their capital structures either by way of any increase (by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of re-organisation of capital of such company(ies). In the event that the Amalgamating Company 1 and/or the Amalgamated Company change their capital structures either by way of any increase (by issue of equity shares, bonus shares, convertible securities or otherwise), decrease, reduction, reclassification, sub-division, consolidation, or re-organisation in any other manner, which would have the effect of bringing some change to the capital structures of such company(ies), the relevant provisions of this Scheme, including Clause 2.4.2, shall stand modified / adjusted accordingly to take into account the effect of such corporate actions;
 - (v) the Amalgamating Company 1 shall not alter or substantially expand its business, except with the prior written consent of the Amalgamated Company; and
 - (vi) the Amalgamating Company 1 shall not amend its memorandum of association or articles of association, except with the prior written consent of the Amalgamated Company.
- 3.6.2 (i) With effect from the Effective Date, the Amalgamated Company shall carry on and shall be entitled to carry on the business of the Amalgamating Company 1.
- (ii) For the purpose of giving effect to the amalgamation order passed under Sections 230 and 232 of the 2013 Act and such other provisions thereof in respect of this Scheme by NCLT, the Amalgamated Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change

in the legal right(s) upon the amalgamation of the Amalgamating Company 1, in accordance with the provisions of Sections 230 and 232 of the 2013 Act and such other provisions thereof, as applicable. The Amalgamated Company is and shall always be deemed to have been authorised to execute any pleadings, applications, forms, etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

- (iii) The Amalgamated Company unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy, upon this Scheme becoming effective, all liabilities and obligations of the Amalgamating Company 1 with effect from the Appointed Date (to the extent the same has already not been paid by the Amalgamating Company 1), in order to give effect to the foregoing provisions.
- 3.7 Upon this Scheme becoming effective, the Amalgamating Company 1 shall stand dissolved, without any further act or deed, without being wound-up.

4. AMALGAMATION OF AMALGAMATING COMPANY 2 INTO AND WITH THE AMALGAMATED COMPANY

4.1 Transfer and vesting of assets and liabilities and entire business of the Amalgamating Company 2

Upon this Scheme becoming effective and with effect from the Appointed Date, all present and future assets and liabilities, whether or not recorded in the books of accounts of the Amalgamating Company 2, and the entire business of the Amalgamating Company 2, shall stand transferred to and vested in the Amalgamated Company, as a going concern, without any further act or deed, as per the provisions contained herein.

4.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, with effect from the Appointed Date and upon this Scheme becoming effective:

- (i) all assets of the Amalgamating Company 2, that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/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 physical or constructive delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly.

- (ii) all other movable properties of the Amalgamating Company 2, including investments in shares and any other securities, 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, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Amalgamated Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. The Amalgamated Company may, if it so deems appropriate, give notice in such form as it deems fit and proper, to each such debtor or obligor, that pursuant to the sanction of this Scheme by NCLT, such debt, loan, advance, claim, bank balance, deposit or other asset be paid or made good or held on account of the Amalgamated Company as the person entitled thereto, to the end and intent that the right of the Amalgamating Company 2 to recover or realise all such debts (including the debts payable by such debtor or obligor to the Amalgamating Company 2) stands transferred and assigned to the Amalgamated Company and that appropriate entries should be passed in the books of accounts of the relevant debtors or obligors to record such change. It is hereby clarified that investments, if any, made by the Amalgamating Company 2 and all the rights, title and interest of the Amalgamating Company 2 in any licensed properties or leasehold properties shall, pursuant to Section 232 of the 2013 Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Amalgamated Company.

- (iii) all immovable properties of the Amalgamating Company 2, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Amalgamating Company 2, whether freehold or leasehold or licensed or otherwise and all documents of title, rights and easements in relation thereto shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in the Amalgamated Company, without any further act or deed done or being required to be done by the Amalgamating Company 2 and/or the Amalgamated Company. The Amalgamated Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Amalgamated Company by the appropriate authorities pursuant to the sanction of this Scheme by NCLT in accordance with the terms hereof.
- (iv) all debts, liabilities, contingent liabilities, duties and obligations, whether secured or unsecured or whether provided for or not in the books of account or disclosed in the financial statements 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 shall, and does hereby undertake to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. It is hereby clarified that subject to the requirements under applicable law, 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 4.2.

All loans, advances and other obligations due from the Amalgamating Company 2 to the Amalgamated Company or *vice versa* shall stand cancelled and shall have no effect.

- (v) all contracts, deeds, bonds, agreements, schemes, arrangements, approvals, certificates, leases, registrations and other instruments, permits, rights, subsidies, concessions, entitlements, licenses (including the licenses granted by any governmental, statutory or regulatory bodies) for the purpose of carrying on the business of the Amalgamating Company 2, and in relation thereto, and 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 obligor thereto. Without prejudice to the generality of the foregoing, all leave and licence agreements, deeds, lease agreements/deeds, bank guarantees, performance guarantees, letters of credit, agreements with any government entity, department, commission, board, agency, bureau or official, hire purchase agreements, lending agreements and such other agreements, deeds, documents and arrangements pertaining to the business of the 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, including all rights and benefits (including benefits of any deposit, advances, receivables or claims) arising or accruing therefrom, shall, with effect from the Appointed Date and upon this Scheme becoming effective, by operation of law pursuant to the vesting orders of NCLT, be deemed to be contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses of the Amalgamated Company. In relation to the same any procedural requirements required to be fulfilled solely by the Amalgamating Company 2 (and not by any of its successors) shall be fulfilled by the Amalgamated Company as if it is the duly constituted attorney of that Amalgamating Company 2. All agreements entered into by the Amalgamating Company 2 shall stand transferred and be vested in favour of the Amalgamated Company on the same terms and conditions. The Amalgamated Company and the other parties to such agreements shall continue to comply with the terms, conditions and covenants thereunder.

- (vi) any notice, disputes, pending suits, appeals or other proceedings of whatsoever nature relating to the Amalgamating Company 2, whether by or against it, shall not abate, be discontinued or in any way be 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 would or might have been continued, prosecuted and/or enforced by or against the Amalgamating Company 2 as if this Scheme had not been implemented.
- (vii) all employees, who are on the payrolls of the Amalgamating Company 2, employees/personnel engaged on contract basis and contract labourers and interns/trainees of the Amalgamating Company 2, who are on its payrolls shall become employees, employees/personnel engaged on contract basis, contract labourers or interns/trainees, as the case may be, of the Amalgamated Company with effect from the Effective Date, on such terms and conditions as are no less favourable in aggregate 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, employee state insurance contribution, gratuity fund, , superannuation fund, staff welfare scheme, 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, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds and/or schemes maintained by the Amalgamating Company 2, in accordance with the provisions of applicable laws, the provisions of such funds and/or schemes in the respective trust deeds or other documents or otherwise. 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.

The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme or

benefits created by the Amalgamating Company 2 for its employees shall be continued on the same terms and conditions or be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Amalgamated Company or as may be created by the Amalgamated Company for such purpose. Pending such transfer, the contributions required to be made in respect of such employees shall continue to be made by the Amalgamated Company to the existing funds maintained by the Amalgamating Company 2.

The Amalgamated Company undertakes that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the employees of the Amalgamating Company 2, the past services of such employees with the Amalgamating Company 2 shall also be taken into account and it shall pay the same accordingly, as and when such amounts are due and payable. Upon this Scheme becoming effective, the Amalgamating Company 2 will transfer/handover to the Amalgamated Company, copies of employment information, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to its and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.

The Amalgamated Company shall continue to abide by any agreement(s)/ settlement(s) entered into by the Amalgamating Company 2 with any of its employees prior to the Appointed Date, and/or from the Appointed Date till the Effective Date.

The Amalgamated Company has granted stock options to certain employees in terms of the "Texmaco Employees Stock Option Scheme 2014" ("ESOS 2014"). In terms of ESOS 2014, the Compensation Committee constituted by the Board of Directors of the Amalgamated Company has *inter alia* the power to determine the procedure for making a fair and reasonable adjustment to the number of stock options and to the exercise price in case of corporate actions such as the amalgamation of the Amalgamating Company 2 into and with the Amalgamated Company that is being contemplated in terms of this Scheme. In light of the above provisions of ESOS 2014, the Compensation Committee of the Amalgamated Company shall make appropriate adjustment to the number of stock options and/or to the exercise price, in accordance with the provisions of ESOS 2014 and applicable laws. Notwithstanding anything to the contrary contained in this Scheme, no employee of the Amalgamating Company 2 shall be entitled to any stock options in terms of ESOS 2014 on account of this Scheme; provided, however, upon this Scheme becoming effective, the Compensation Committee of the Amalgamated Company shall be entitled to, in terms of ESOS 2014, offer any stock option to any of the employees of the Amalgamating Company 2, as it may deem fit. The approval of this Scheme by the shareholders of Amalgamated Company and Amalgamating Company 2 shall be deemed to be a consent to the aforesaid arrangement in regard to ESOS 2014 and all other relevant matters

undertaken in relation to ESOS 2014, and no further approval of the shareholders shall be required in terms either the 2013 Act or the 1956 Act.

- (viii) all the intellectual property rights of any nature whatsoever, including any and all registrations, goodwill, licenses, trademarks, service marks, copyrights, domain names, patents, applications for copyrights, patents, trade names and trade marks, appertaining to the Amalgamating Company 2, if any, shall stand transferred to and vested in the Amalgamated Company.
- (ix) all taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, etc.) payable by or refundable to or being the entitlement of the Amalgamating Company 2, including all or any refunds or claims shall be treated as the tax liability or refunds/credits/claims, as the case may be, of the Amalgamated Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, tax losses including brought forward business loss, unabsorbed depreciation, etc., as would have been available to the Amalgamating Company 2, shall upon to this Scheme becoming effective, be available to the Amalgamated Company.
- (x) the accounts of the Amalgamated Company as on the Appointed Date shall be revised in accordance with the applicable provisions and terms of this Scheme. The Amalgamated Company shall be entitled to revise its Income Tax returns, Wealth tax returns, TDS returns, GST returns and other statutory returns as may be required under respective statutes pertaining to Indirect Taxes, such as Sales-Tax, Value Added Tax, Excise Duties, Service Tax, and/or duties under Central Goods and Services Tax Act, 2017, the relevant State / Union Territory's legislation in terms of the Central Goods and Services Tax Act, 2017, etc.
- (xi) all approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description whatsoever in relation to the Amalgamating Company 2, or to the benefit of which the Amalgamating Company 2 may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect 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.
- (xii) benefits of any and all corporate approvals as may have already been taken by the Amalgamating Company 2, whether being in the nature of compliances or otherwise, including without limitation, approvals under Sections 180, 186 and 188 of the 2013 Act and any other approvals under either the 1956 Act or the 2013 Act shall stand transferred to the Amalgamated Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Amalgamated Company to the extent permitted under the 2013 Act.
- (xiii) all estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Amalgamating Company 2 shall be deemed to have been accrued to and/or

acquired for and on behalf of the Amalgamated Company and shall, upon this Scheme becoming effective, pursuant to Section 232 of the 2013 Act and other applicable provisions of the 1956 Act and/or the 2013 Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Amalgamated Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Amalgamated Company.

- (xiv) all lease/license or rent agreements entered into by the Amalgamating Company 2 with various landlords, owners and lessors, together with security deposits and advance/prepaid lease/license fee, etc., shall stand automatically transferred and vested in favour of the Amalgamated Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The Amalgamated Company shall continue to pay rent, or lease or license fee as provided for in such agreements, and the Amalgamated Company and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants thereunder. Without limiting the generality of the foregoing, the Amalgamated Company shall also be entitled to refund of security deposits paid under such agreements by the Amalgamating Company 2.
- (xv) all electricity connections and tariff rates in respect thereof sanctioned by various public sector and private companies, boards, agencies and authorities to the Amalgamating Company 2, together with security deposits and all other advances paid, shall stand automatically transferred and vested in favour of the Amalgamated Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The relevant electricity companies, boards, agencies and authorities shall issue invoices in the name of the Amalgamated Company with effect from the billing cycle commencing from the month immediately succeeding the month in which an intimation of the approval of this Scheme by NCLT and of the effectiveness of the Scheme is filed by the Amalgamated Company with them. The Amalgamated Company and the relevant electricity companies, boards, agencies and authorities shall continue to comply with the terms, conditions and covenants associated with the grant of such connection. Without limiting the generality of the foregoing, the Amalgamated Company shall also be entitled to refund of security deposits paid to or placed with such electricity companies, boards, agencies, municipal corporation, statutory and other authorities by the Amalgamating Company 2.

4.3 Upon this Scheme becoming effective and the consequent amalgamation of the Amalgamating Company 2 into and with the Amalgamated Company, the secured creditors of the Amalgamated Company shall only continue to be entitled to security over such properties and assets forming part of the Amalgamated Company, as existing immediately prior to the amalgamation of the Amalgamating Company 2 into and with the Amalgamated Company and the secured creditors of the Amalgamating Company 2 shall continue to be entitled to security over such properties, assets, rights, benefits and interest of and in the Amalgamating Company 2, as existing immediately prior to the amalgamation of the Amalgamating Company 2 into and with the Amalgamated Company. It is hereby clarified that all the assets of Amalgamated Company and the Amalgamating Company 2, which are not currently encumbered, shall remain free and available for creation of any security thereon in future in relation to any new indebtedness that may be incurred by the Amalgamated Company. For this purpose, no further consent from the existing secured

creditors shall be required and sanction of this Scheme shall be considered as a specific consent of such secured creditors, of the Amalgamating Company 2 or of the Amalgamated Company, as the case may be.

4.4 The Amalgamating Company 2 and/or the Amalgamated Company, as the case may be, shall, at any time after this Scheme comes into effect in accordance with the provisions hereof, if so required under any law or otherwise, execute appropriate deeds of confirmation 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, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions hereof, be deemed to be authorised to execute any such writings for and 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.

4.5 The Amalgamating Company 2 and/or the Amalgamated Company, as the case may be, shall, at any time after this Scheme comes into effect in accordance with the provisions hereof, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Amalgamating Company 2. It is hereby clarified that if the consent of any third party or government authority is required to give effect to the provisions of this clause, the said third party or government authority shall make and duly record the necessary substitution/endorsement in the name of the Amalgamated Company pursuant to the sanction of this Scheme by NCLT, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Amalgamated Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Amalgamating Company 2 and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

4.6 **Conduct of Businesses till Effective Date**

4.6.1 With effect from the Appointed Date and up to and including 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;
- (ii) all profits or income arising or accruing in favour of the Amalgamating Company 2 and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax credit, fringe benefit tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, etc.) or losses arising or incurred by the Amalgamating Company 2 shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses, as the case may be, of the Amalgamated Company;
- (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 commitment of any nature whatsoever, borrow any amount or incur any other liabilities or expenditure, issue any additional guarantee, indemnity, 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 the Scheme;
 - (b) when the same is in the ordinary course of business as carried on by the Amalgamating Company 2; or
 - (c) when written consent of the Amalgamated Company has been obtained in this regard.
- (iv) except by mutual consent of the Boards of Directors of the Amalgamating Company 2 and the Amalgamated Company, or except pursuant to any prior commitment, obligation or arrangement existing or undertaken by the Amalgamating Company 2 and/or the Amalgamated Company as on the date of filing of this Scheme with NCLT, or except as contemplated in this Scheme, pending sanction of this Scheme by NCLT, the Amalgamating Company 2 and/or the Amalgamated Company shall not make any change in their capital structures either by way of any increase (by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of re-organisation of capital of such company(ies). In the event that the Amalgamating Company 2 and/or the Amalgamated Company change their capital structures either by way of any increase (by issue of equity shares, bonus shares, convertible securities or otherwise), decrease, reduction, reclassification, sub-division, consolidation, or re-organisation in any other manner, which would have the effect of bringing some change to the capital structures of such company(ies), the relevant provisions of this Scheme, including Clause 2.4.2, shall stand modified / adjusted accordingly to take into account the effect of such corporate actions;
- (v) the Amalgamating Company 2 shall not alter or substantially expand its business, except with the prior written consent of the Amalgamated Company; and
- (vi) the Amalgamating Company 2 shall not amend its memorandum of association or articles of association, except with the prior written consent of the Amalgamated Company.
- 4.6.2 (i) With effect from the Effective Date, the Amalgamated Company shall carry on and shall be entitled to carry on the business of the Amalgamating Company 2.
- (ii) For the purpose of giving effect to the amalgamation order passed under Sections 230 and 232 of the 2013 Act and such other provisions thereof, in respect of this Scheme by NCLT, the Amalgamated Company shall, at any time pursuant to the orders approving this 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 and 232 of the 2013 Act and such

other provisions thereof, as applicable. The Amalgamated Company is and shall always be deemed to have been authorised to execute any pleadings, applications, forms, etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

- (iii) The Amalgamated Company unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy, upon this Scheme becoming effective, all liabilities and obligations of the Amalgamating Company 2 with effect from the Appointed Date (to the extent the same has already not been paid by the Amalgamating Company 2), in order to give effect to the foregoing provisions.
- 4.7 Upon this Scheme becoming effective, the Amalgamating Company 2 shall stand dissolved, without any further act or deed, without being wound-up.

PART – V

5. CHANGE IN SHARE CAPITAL, CONSIDERATION, CANCELLATION OF SHARES AND ACCOUNTING TREATMENT

5.1 In consideration of the provisions of Part - III and Part – IV of this Scheme and as an integral part of this Scheme, the share capital of the Amalgamated Company shall be restructured in the manner set forth in this Clause 5.

5.2 Upon this Scheme becoming effective and after the allotment of the new equity shares by the Amalgamated Company in terms of Clause 5.3, the issued, subscribed and paid-up capital of the Amalgamated Company shall stand increased by Rs. 47,85,300 (Forty Seven Lac Eight Five Thousand Three hundred).

5.3 Payment of Consideration

5.3.1 (i) Upon this Scheme becoming effective, the Amalgamated Company shall not issue or allot any shares pursuant to the transfer and vesting of all assets and liabilities of the Amalgamating Company 1 into and with the Amalgamated Company in terms of Part - III of this Scheme, since the Amalgamated Company is the only shareholder holding the entire paid up share capital of the Amalgamating Company 1, and such shareholding of the Amalgamated Company in the Amalgamating Company 1 (whether held directly or through nominee shareholders) shall stand cancelled without any consideration in terms of Clause 5.4.

(ii) Upon this Scheme becoming effective, in consideration of the transfer and vesting of all assets and liabilities of the Amalgamating Company 2 into and with the Amalgamated Company in terms of Part - III of this Scheme, the Amalgamated Company shall issue, in aggregate, 47,85,300 (Forty Seven Lac Eight Five Thousand Three hundred) fully paid-up equity shares of Re. 1 (Rupee one) each to the shareholders of the Amalgamating Company 2 whose names are recorded in the register of members of the Amalgamating Company 2 on the Record Date, in a manner that each such equity shareholder of the Amalgamating Company 2 shall be issued 818 (Eight Hundred Eighteen) fully paid-up equity shares of Re. 1 (Rupee one) each of the Amalgamated Company for every 100 (One Hundred) fully paid-up equity shares of Rs. 10 each held by such equity shareholder in the Amalgamating Company 2 as on the Record Date. Subject to the provisions of Clause 5.4, the Amalgamated Company shall not receive any shares in terms of the aforementioned entitlement, in its capacity as a shareholder of the Amalgamating Company 2, and such of its shareholding in the Amalgamating Company 2 (whether held directly or through nominee shareholders) shall stand cancelled without any consideration in terms of Clause 5.4.

5.3.2 The issuance of fully paid-up equity shares to the shareholders of the Amalgamating Company 2 in terms of Clause 5.3.1(i) is based on the share exchange ratio of 818:100, i.e., equity shareholder of the Amalgamating Company 2 shall be issued 818 (eight hundred and eighteen) fully paid-up equity shares of Re. 1 (Rupee one) each of the Amalgamated Company for every 100 (hundred) fully paid-up equity shares of Rs. 10 each held by such equity shareholder in the Amalgamating Company 2 as on the Record Date, approved by the Boards of Directors of the Amalgamated Company and the Amalgamating Company 2, based on their independent judgment and after taking into consideration the valuation report provided by Deloitte Haskins & Sells, an Independent Valuer engaged by the

Amalgamated Company, on September 18, 2017 (“**Valuation Report**”). The Amalgamated Company had also engaged ICICI Securities Limited, a Category 1 Merchant Banker registered with SEBI, as such Merchant Banker is required to provide a fairness opinion on such share exchange ratio as per the regulatory requirement. In connection with such engagement, ICICI Securities Limited has issued an opinion dated September 18, 2017, which stated that as of such date the share exchange ratio as mentioned in the Valuation Report is fair. The Board of Directors of the Amalgamated Company and the Amalgamating Company 2 based on and relying upon the aforesaid expert advice/opinions, and on the basis of their independent evaluation and judgment, have come to the conclusion that the proposed share exchange ratio is fair and reasonable and have approved the same at their respective meetings held on September 18, 2017.

5.4 Cancellation of Shares and other arrangements

- 5.4.1 As stated in Clause 5.3.1 above, upon this Scheme becoming effective, and upon transfer and vesting of all assets and liabilities of the Amalgamating Companies into and with the Amalgamated Company in accordance with Part – III and Part - IV of this Scheme respectively, no shares shall be allotted by the Amalgamated Company to itself or to any of its nominee shareholders holding shares in either of the Amalgamating Companies.
- 5.4.2 Upon this Scheme becoming effective, in the (consolidated/merged) balance sheet of the Amalgamated Company, investments of the Amalgamated Company being equity shares held in the Amalgamating Companies, whether held in its own name or through nominee shareholders, shall stand cancelled in entirety without any consideration and without any further act or deed and without any liability towards capital gains tax under the Income-tax Act, 1961.

5.5 Issuance mechanics and other relevant provisions

- 5.5.1 In the event that the Amalgamating Company 2 and/or the Amalgamated Company change their capital structures either by way of any increase (by issue of equity shares, bonus shares, convertible securities or otherwise, save and except (i) shares issued pursuant to exercise of any rights/options granted to / vested in employees of the Amalgamated Company pursuant to any security linked benefit scheme of the Amalgamated Company and/or (ii) shares issued pursuant to conversion of any convertible instruments issued by the Amalgamated Company pursuant to the terms thereof), decrease, reduction, reclassification, sub-division, consolidation, or re-organisation in any other manner, which would have the effect of bringing some change to the capital structures of such company(ies), the share exchange ratio mentioned in Clause 5.3 shall further be modified/adjusted accordingly to take into account the effect of such corporate actions.
- 5.5.2 Subject to applicable laws, the equity shares of Amalgamated Company that are to be issued in terms of Clause 5.3 shall be issued in dematerialised form, unless a shareholder of Amalgamating Company 2 gives a notice to the Amalgamated Company on or before the Record Date, requesting for issuance of such equity shares in physical form. The shareholders of Amalgamating Company 2 shall provide such confirmation, information and details as may be required by the Amalgamated Company to enable it to issue the aforementioned equity shares.
- 5.5.3 In case the aggregate number of equity shares in the Amalgamated Company to be issued to the shareholders of the Amalgamating Company 2 in terms of Clause 5.3, contains a

fraction of a share, then the Board of Directors of the Amalgamated Company shall consolidate all such fractional entitlements and the resultant share(s) shall be issued and allotted to one of the directors or officers of the Amalgamated Company or to such other person as the Board of Directors of the Amalgamated Company may decide in this behalf, to be held in trust for all such members who were entitled to such fractional entitlements. Such trustee, who is allotted such consolidated shares, shall be bound by the express understanding to cause the sale of such shares within a period of one (1) year from the Record Date. Such sale of shares shall be made at such price(s), at such time(s) and to such person or persons, as the trustee may deem proper and the trustee shall deposit the net sale proceeds of such sale with the Amalgamated Company (after deduction of the expenses incurred in relation to such sale, if any), which shall then be distributed by the Amalgamated Company to the shareholders (as on the Record Date) respectively entitled to the same in proportion to their fractional entitlements. Such distribution of money by the Amalgamated Company to its shareholders at such point in time shall not be treated as deemed dividend.

- 5.5.4 Equity shares to be issued by the Amalgamated Company pursuant to this Clause 5.3 in respect of such of the equity shares of the shareholders of the Amalgamating Company 2 which are held in abeyance shall also be kept in abeyance.
- 5.5.5 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Amalgamating Company 2, the Board of Directors of the Amalgamating Company 2 shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in the Amalgamating Company 2 as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor/transferee of the shares in the Amalgamating Company 2 and in relation to the equity shares issued by the Amalgamated Company after the effectiveness of this Scheme. The Board of Directors of the Amalgamated Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Amalgamated Company on account of difficulties faced in the transition period.
- 5.5.6 The equity shares to be issued and allotted by the Amalgamated Company in terms of Clause 5.3 shall be subject to the provisions of the Memorandum and Articles of Association of the Amalgamated Company and shall rank *pari passu* in all respects with the existing equity shares of the Amalgamated Company.

5.6 **Accounting Treatment**

- 5.6.1 Upon this Scheme becoming effective, the Amalgamated Company shall account for the amalgamation of the Amalgamating Companies in its books of accounts as given below and the provisions of this Clause 5.6 and Clause 5.7 shall operate notwithstanding anything to the contrary contained in any other instrument, deed or writing:
- (i) for the purpose of accounting for and dealing with the value of the assets, liabilities, reserves, etc., as dealt with hereinbelow in the books of account of the Amalgamated Company, statements of accounts and financial statements of the Amalgamating Companies as on the close of business of the date immediately preceding the Appointed Date shall be drawn-up on the basis of the books of accounts of the Amalgamating Companies, as audited by the auditors. Such

statements of accounts shall be drawn up considering the book value of the assets and liabilities of the Amalgamating Companies;

- (ii) the Amalgamated Company shall record the assets and current liabilities of the Amalgamating Companies transferred pursuant to the Scheme at its book value in the books of accounts of the Amalgamated Company as on the Appointed Date;
- (iii) investment in the share capital of the Amalgamating Companies in the books of accounts of the Amalgamated Company shall stand cancelled;
- (iv) to the extent that there are inter-company loans, deposits, obligations, balances or other outstanding between any of the Amalgamating Companies and the Amalgamated Company, appearing in the books of account of the Amalgamated Company and the Amalgamating Companies as on the Appointed Date, the obligations in respect thereof shall stand cancelled and there shall be no liability in that behalf and corresponding effect shall be given in the books of accounts and records of the Amalgamated Company for the reductions of such assets or liabilities, as the case may be, and there would be no accrual of interest or other charges in respect of any such inter-corporate loans, deposits, advances and other balances or obligations as between the Amalgamating Companies and the Amalgamated Company with effect from the Appointed Date;
- (v) the Amalgamated Company shall credit the aggregate par value of the equity shares issued to the shareholders of the Amalgamating Company 2 pursuant to this Scheme to the 'equity share capital account' in its books of accounts;
- (vi) surplus or deficit, if any, arising as a result of such amalgamations, i.e., excess or shortfall of the value of net assets of each of the Amalgamating Companies transferred to the Amalgamated Company over the paid-up value of shares to be issued and allotted to the shareholders of the respective Amalgamating Company by the Amalgamated Company, shall be recorded as and credited to the Capital Reserve or Goodwill, as the case may be, in the financial statements of the Amalgamated Company as per Appendix C of Indian Accounting Standards (IND AS) 103 – Business Combinations; and
- (vii) The Amalgamated Company shall account for the amalgamation of the Amalgamating Companies on the basis of 'pooling of interests' method as stated in the Appendix C of Indian Accounting Standard (IND AS) 103 – Business Combinations.

5.6.2 Upon this Scheme becoming effective, the accounts of the Amalgamated Company as on the Appointed Date shall be reconstructed in accordance with the terms of this Scheme. The Amalgamated Company shall be entitled to revise its income tax returns, TDS returns, and other statutory returns as may be required under respective statutes pertaining to indirect taxes, such as sales-tax, value added tax, excise duties, service tax, goods and services tax, etc., and shall also have the right to claim refunds, advance tax credits, credit of tax under Section 115JB of the Income-tax Act, 1961, credit of tax deducted at source, credit of foreign taxes paid/ withheld, etc., if any, as may be required consequent to implementation of this Scheme.

- 5.6.3 All reserves of the Amalgamating Companies shall be recorded in the financial statements of Amalgamated Company in the same form in which they appeared in the financial statements of the Amalgamating Companies, as on the date immediately preceding the Appointed Date. Accordingly, if prior to this Scheme becoming effective there is any reserve in the financial statements of either of the Amalgamating Companies available for distribution to shareholders, whether as bonus shares or dividend or otherwise, the same would continue to remain available for such distribution by the Amalgamated Company, subsequent to this Scheme becoming effective.
- 5.6.4 The Amalgamated Company shall record in its books of account, all transactions of the Amalgamating Companies in respect of assets, liabilities, income and expenses, from the Appointed Date till the Effective Date.
- 5.6.5 In case of any differences in accounting policies followed by either of the Amalgamating Companies from that of the Amalgamated Company, a uniform set of accounting policies shall be adopted following the amalgamation. The effect on the financial statements of any changes in the accounting policies are to be reported in accordance with the Indian Accounting Standard (IND-AS) 8 – Accounting Policies, Changes in Accounting Estimates and Errors.
- 5.6.6 Notwithstanding the above, the Board of Directors of the Amalgamated Company, in consultation with its statutory auditors, is authorised to account any of the balances in any other manner, if such accounting treatment is considered more appropriate and is permissible under applicable laws.

5.7 **Miscellaneous Provisions**

- 5.7.1 It is hereby clarified that pursuant to amalgamation of the Amalgamating Companies into and with the Amalgamated Company, the control over the Amalgamated Company shall not change.

6. GENERAL TERMS AND CONDITIONS

- 6.1 This Scheme, has been drawn up to comply with the conditions relating to “Amalgamation” as specified under the tax laws, specifically Section 2(1B) of the Income-tax Act, 1961 and other relevant sections of the Income-tax Act, 1961. If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the provisions of the tax laws shall prevail. This Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of this Scheme. Notwithstanding the other provisions of this Scheme, but subject to applicable laws, the power to make such amendments/modifications as may become necessary, whether before or after the effectiveness of the Scheme, shall vest with the Board of Directors of the Amalgamated Company, which power shall be exercised reasonably in the best interests of the companies concerned and their shareholders, and which power can be exercised at any time.
- 6.2 The Amalgamated Company and/or the Amalgamating Companies, as the case may be, shall, with all reasonable dispatch, make their respective applications or they may even make a joint application to NCLT, under Sections 230 and 232 of the 2013 Act and other applicable provisions thereof, seeking orders for dispensing with or convening, holding and/or conducting of the meetings of such classes of their respective shareholders and/or creditors and for sanctioning this Scheme with such modifications, as may be approved by NCLT.
- 6.3 Upon this Scheme being approved by the requisite majority of the shareholders and creditors of the Amalgamated Company and the Amalgamating Companies (wherever required), the Amalgamating Companies and the Amalgamated Company shall, with all reasonable dispatch, file respective petitions before NCLT for sanction of this Scheme under Sections 230 to 232 of the 2013 Act, and other applicable provisions thereof, and for such other order or orders, as NCLT may deem fit for sanctioning/giving effect to this Scheme. Upon this Scheme becoming effective, the shareholders of both, the Amalgamated Company and the Amalgamating Companies, shall be deemed to have also accorded their approval under all relevant provisions of the 2013 Act, as applicable, for giving effect to the provisions contained in this Scheme.
- 6.4 The effectiveness of this Scheme is conditional upon and subject to:
- (i) this Scheme being approved by the respective requisite majorities of the various classes of shareholders and/or creditors (if required) of each of the Amalgamating Companies and the Amalgamated Company as required under the 1956 Act and/or the 2013 Act, as applicable;
 - (ii) the Scheme being sanctioned by NCLT and appropriate orders being passed by it pursuant to Sections 230 and 232 of the 2013 Act and other relevant provisions thereof, as applicable; and

- (iii) certified copies of the relevant Orders of NCLT being filed with the Registrar of Companies, West Bengal by each of the Amalgamating Companies and the Amalgamated Company.

6.5 The Amalgamated Company shall comply with the provisions of SEBI Circular No. CFD/DIL3/CIR/2017/21, dated March 10, 2017, as modified by SEBI Circular No. CFD/DIL3/CIR/2017/26, dated March 23, 2017 while *inter alia* procuring the approval of its public shareholders and shall provide for voting by such public shareholders through postal ballot and e-voting. For the purposes of this Clause 6.6, the term 'public' shall have the meaning ascribed to such term under rule 2 of Securities Contracts (Regulation) Rules, 1957.

6.6 **Sequence of Events**

6.6.1 Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred on the Appointed Date, as the case may be and become effective and operative only in the sequence and in the order mentioned hereunder:

- (i) amalgamation of the Amalgamating Company 2 into and with the Amalgamated Company in accordance with Part - IV of this Scheme;
- (ii) transfer of the authorised share capital of the Amalgamating Company 2 to the Amalgamated Company, and consequential increase in the authorised share capital of the Amalgamated Company in accordance with Part - II of this Scheme;
- (iii) amalgamation of the Amalgamating Company 1 into and with the Amalgamated Company in accordance with Part - III of this Scheme;
- (iv) transfer of the authorised share capital of Amalgamating Company 1 to the Amalgamated Company and consequential increase in the authorised share capital of the Amalgamated Company in accordance with Part - II of this Scheme;
- (v) issuance and allotment of fully paid-up equity shares of the Amalgamated Company to the shareholders of the Amalgamating Company 2 in terms of Clause 5.3 of this Scheme.

6.7 **Record Date**

After this Scheme is sanctioned but before it becomes effective, the Board of Directors of the Amalgamated Company shall, in consultation with the Board of Directors of the Amalgamating Company 2, determine the record date, for issuance and allotment of fully paid-up equity shares of the Amalgamated Company to the shareholders of the Amalgamating Company 2 in terms of Clause 5.3. On determination of such record date, the Amalgamating Company 2 shall provide to the Amalgamated Company, the list of its shareholders as on such record date, who are entitled to receive the fully paid-up equity shares in the Amalgamated Company in terms of this Scheme in order to enable the Amalgamated Company to issue and allot such fully paid-up equity shares to such shareholders of the Amalgamating Company 2.

6.8 The transfer of properties and liabilities to, and the continuance of proceedings by or against the Amalgamated Company, as envisaged in Part - III and Part – IV above shall not

affect any transaction or proceedings already concluded by either of the Amalgamating Companies on or before the Appointed Date, and after the Appointed Date till the Effective Date, to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Amalgamating Companies in respect thereto as done and executed on behalf of itself.

- 6.9 (i) The Amalgamating Companies and the Amalgamated Company shall be entitled to declare and pay dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date. The shareholders of the Amalgamating Companies shall not be entitled to dividend (whether interim and/or final), if any, declared and paid by the Amalgamated Company to their shareholders prior to the Effective Date and *vice versa*.
- (ii) The holders of the shares of the Amalgamating Companies and the Amalgamated Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association, including the right to receive dividends.
- (iii) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Amalgamating Companies and/or of the Amalgamated Company to demand or claim any dividend which, subject to the provisions of the 2013 Act, shall be entirely at the discretion of the respective Boards of Directors of the Amalgamating Companies and the Amalgamated Company, and if applicable as per the provisions of the Articles of Association, and/or the 2013 Act, as applicable, be subject to the approval of the shareholders of the Amalgamating Companies and the Amalgamated Company respectively.
- 6.10 Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.
- 6.11 The Amalgamated Company and the Amalgamating Companies (acting through their respective Boards of Directors) may assent to any modifications or amendments to this Scheme, which 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. The Amalgamated Company and the Amalgamating Companies acting through their respective Boards of Directors, be and are hereby authorised 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 orders of NCLT or of any directive or orders 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.
- 6.12 Notwithstanding anything else to the contrary in this Scheme, the Amalgamated Company and the Amalgamating Companies acting through their respective Boards of Directors, shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by NCLT or any other authority is not acceptable to them.
- 6.13 All costs, expenses, charges, fees, taxes, duties, levies and all incidental expenses arising out of or incurred in carrying out and implementing the terms and conditions or provisions

of this Scheme and matters incidental thereto shall be borne and paid by the Amalgamated Company.

- 6.14 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Amalgamated Company, either of the Amalgamating Companies, and/or their respective shareholders, and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.
- 6.15 If any part of this Scheme is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the Amalgamated Company and the Amalgamating Companies acting through their respective Boards of Directors, shall attempt to bring about appropriate modifications to this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.
