
SCHEME OF AMALGAMATION
OF
CIMMCO LIMITED
AND
TITAGARH CAPITAL PRIVATE LIMITED
WITH
TITAGARH WAGONS LIMITED

UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013

And all other applicable provisions of the Companies Act, 2013

(to the extent notified) and Companies Act, 1956 (to the extent still in force)



INTRODUCTION

1. This Scheme of Amalgamation (“Scheme”) is presented pursuant to the provisions of Sections 230-232 and other relevant provisions of the Companies Act, 2013 (“Act”) as may be applicable, and in compliance with the applicable section(s) of the Income-Tax Act, 1961 for the following:
 - 1.1 Amalgamation (merger by absorption) of Cimmco Limited (“Transferor Company 1”) into and with Titagarh Wagons Limited (“Transferee Company”) and consequent dissolution of the Transferor Company 1 without winding up; and
 - 1.2 Amalgamation (merger by absorption) of Titagarh Capital Private Limited (“Transferor Company 2”) into and with Titagarh Wagons Limited (“Transferee Company”) and consequent dissolution of the Transferor Company 2 without winding up.
 - 1.3 The Scheme is divided into the following parts:

Part	Particulars
I.	Background, Rationale, Definitions, Date of taking effect and Share Capital
II.	Amalgamation, transfer and vesting of Undertaking of the Transferor Company 1 and Transferor Company 2 into and with the Transferee Company and the matters incidental thereto.
III.	Consideration by the Transferee Company
IV.	Accounting Treatment
V.	Dissolution of Transferor Companies and matters incidental thereto

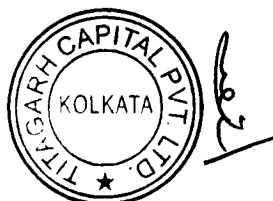
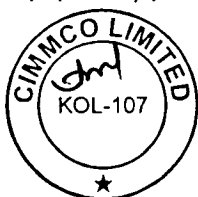
The Transferor Company 1 and Transferor Company 2 are sometimes collectively referred to herein as the Transferor Companies.

PART I.

1. BACKGROUND AND DESCRIPTION OF THE COMPANIES

1.1 TITAGARH WAGONS LIMITED, is a public limited company within the meaning of the Companies Act, 2013 having its registered office at 756, Anandapur, E M Bypass, Kolkata – 700 107 and Corporate Identity Number (CIN) L27320WB1997PLC084819 (for short “**TWL**” or “**Transferee Company**”). The shares of TWL are listed at BSE Limited (‘**BSE**’) and the National Stock Exchange of India Limited (‘**NSE**’). TWL was originally incorporated on 3rd July, 1997 as a limited company under the provisions of the Companies Act, 1956. The Permanent Account Number (PAN) of the company is AABCT1377P.

Transferee Company is engaged in the business of manufacturing of Rail Rolling Stock including Railway Wagons, Passenger Coaches, Steel Castings of various configurations, Shipbuilding, Bridges and special projects for defence establishment of India and other heavy engineering equipment/products.



1.2 Cimmco Limited (hereinafter referred to as ‘Cimmco’ or ‘Transferor Company 1’), is a public limited company within the meaning of the Companies Act, 2013, having its registered office at 756 Anandapur, E M Bypass, Kolkata-700107 and Corporate Identity Number (CIN) L28910WB1943PLC168801. The shares of Cimmco are listed at BSE Limited (‘BSE’) and The National Stock Exchange of India Limited (‘NSE’). The shares of Cimmco are also listed on the Calcutta Stock Exchange but an application for delisting has been made in 2016 and is under process. Cimmco was originally incorporated as a company limited by shares on 8th September, 1943 under the Companies Act, 1913 under the name of Texmaco (Gwalior) Limited. Thereafter, pursuant to Section 23 of the Companies Act, 1956 and under the order of the Central Government, the name of the Company was changed to Central Indian Machinery Manufacturing Co. Ltd. and the said company was duly incorporated as a Company under the provision of the Companies Act, 1956. A fresh certificate of change of name was issued to the company on 22nd June, 1956. Subsequently, the name of the company was changed to Cimmco Limited and a fresh certificate of incorporation consequent to change of name was issued to the company on 6th December, 1985. The name of the Company was thereafter changed to Cimmco Birla Limited and a fresh certificate of incorporation consequent on change of name was issued to the Company on 3rd October, 1994. Following a scheme of rehabilitation sanctioned by the then Board for Industrial Finance & Reconstruction (BIFR), the name of the Company was changed to Cimmco Limited w.e.f. April 09, 2010. The Company by a special resolution changed its place of Registered Office from Delhi to West Bengal and such alteration was confirmed by an order of the Company Law Board, New Delhi Bench dated 20th September, 2011. A certificate of registration of Company Law Board order for change of state was issued to the company on 24th October, 2011. The Permanent Account Number (PAN) of the company is AAACC3147K.

Cimmco is engaged in the business of manufacturing railway wagons of various types and other heavy engineering products/equipment and also products for defence establishment of India.

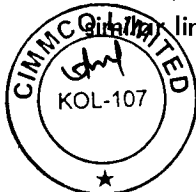
1.3 TITAGARH CAPITAL PRIVATE LIMITED, is a private limited company within the meaning of the Companies Act, 2013 having its registered office at 756, Anandapur, E M Bypass, Kolkata-700107 and Corporate Identity Number (CIN) U01122WB1994PTC138832 (for short “TCPL” or “Transferor Company 2”). TCPL was originally incorporated as Flourish Securities & Finance Private Limited on 10/05/1994 under the provisions of the Companies Act, 1956. Pursuant to the approval of Central Government, the Company’s name was changed to Titagarh Capital Private Limited upon issue of a fresh certificate of incorporation dated 18th April, 2012. The Permanent Account Number (PAN) of the Company is AAACF3929L. TCPL is a wholly owned subsidiary of Titagarh Wagons Limited. TCPL is also a registered Non-Banking Financial Company (Non Deposit Taking Non Systemically Important).

TCPL is engaged in the business of leasing of wagons, investment and other non-depositing accepting non-banking financial activities.

2. RATIONALE FOR THE SCHEME

- The Transferor Companies and Transferee Company belong to Titagarh Group.
- All the entities are engaged in similar and ancillary businesses pertaining to manufacturing of wagons, passenger coaches, transportation, warehousing and logistics etc.

Further, Transferor Company 1 and the Transferee Company both are listed and carry on similar line of businesses.

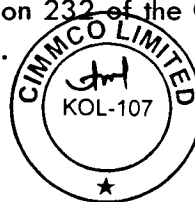


Hence, with a view to consolidating similar businesses under a single entity and to achieve simplified corporate structure by way of group reorganisation, the management has envisaged to undertake the amalgamation of the Transferor Companies in the Transferee Company under this Scheme.

The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:

- a) Help in achieving improved operational efficiency and optimum advantages and also to achieve greater efficiency and synergy in operations by combining the activities of the Transferor Companies with the Transferee Company;
- b) The amalgamated entity will benefit from optimum utilization of manpower through improved organizational capacity and leadership, arising from the combination of people from the Transferor Companies and Transferee Company which have diverse skills, talent, management expertise, enlarged knowledge base and vast experience to compete successfully in an increased competitive industry;
- c) The amalgamated entity shall reduce fixed costs by removing duplicate departments, operations and lower the cost of the Company relative to the same revenue stream and shall thus increase the profit margins.
- d) Under a liberalised, fast changing and highly competitive environment, this amalgamation shall strengthen the business of the Transferor Companies and the Transferee Company by pooling up the resources, business expertise, business processes and assets for common purpose and hence optimum utilization;
- e) The synergies that exist between the entities in terms of services and resources can be put to the best advantage of all stakeholders;
- f) The amalgamation will result in better economic control, increased financial strength and flexibility and enhance the ability of the amalgamated entity to undertake large projects, thereby contributing to enhancement of future business potential;
- g) Cost savings are expected to flow from more focused operational efforts, rationalisation, standardisation and simplification of business processes, productivity and improvements, improved procurement and the elimination of duplication and rationalization of administrative expenses.
- h) The consolidation of the companies engaged in similar line of business in one entity, under a single centralized system of management, will result in the management being able to exercise greater control over the operations of the Companies. This will also result in the management being enabled to undertake any re-structuring /re-organization of the various business undertakings of the companies for the purposes of achieving optimum efficiency /and or to attract investments in the individual business undertakings of the Companies.

In view of the aforesaid, the Board of Directors of the Transferor Companies as well as the Transferee Company have considered and proposed the amalgamation of the entire undertakings and businesses of the Transferor Companies with the Transferee Company in order to benefit the stakeholders of both Transferor Companies and Transferee Company. Accordingly, the Board of Directors of all the companies have formulated this Scheme of Amalgamation for the transfer and vesting of the entire undertakings and businesses of the Transferor Companies to the Transferee Company pursuant to the provisions of Section 230 to Section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013.



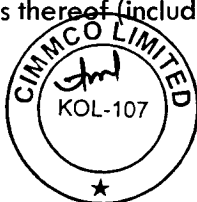
The Scheme is in the interest of the shareholders, creditors and employees of both the Companies and their stakeholders and would enable the Transferee Company to adopt a focused business approach for the maximization of benefits to the stakeholders. The Scheme shall not in any manner be prejudicial to the general public at large.

3 DEFINITIONS AND INTERPRETATION:

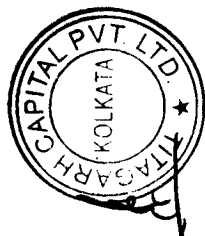
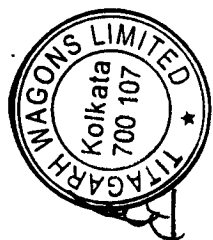
DEFINITIONS

In this Scheme (as defined hereafter), unless repugnant to the meaning or context thereof, the following expressions shall have the following:

- (i) **“Act” or “the Act”** means the Companies Act, 2013 (to the extent notified) and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force and includes any rules, regulations, circulars or guidelines issued thereunder, as amended from time to time and shall include the Companies Act, 1956 (to the extent still in force);
- (ii) **“Appointed Date”** means 1st April, 2019 or such other date as may be fixed or approved by the Appropriate Authority;
- (iii) **“Appropriate Authority”** means any government, statutory, regulatory, departmental or public body or authority having jurisdiction over the Transferor Companies and the Transferee Company, including the Central Government, Regional Director, Registrar of Companies and the National Company Law Tribunal;
- (iv) **“Assets”** in relation to Transferor Company means Fixed Assets, Loans and Advances, Investments, Current Assets, debit balance in Profit and Loss account and any other assets as per the books of the Transferor Company as at March 31, 2019;
- (v) **“Board of Directors” or “Board”** shall mean the Board of Directors of Transferor Companies and Transferee Company as the case may be and shall include a duly constituted committee thereof for implementation of the Scheme;
- (vi) **“BSE”** means BSE Limited;
- (vii) **“Companies”** means collectively, the Transferor Companies and the Transferee Company;
- (viii) **“Effective Date”** means the date on which the final order of NCLT has been passed approving the Scheme either on the terms as originally approved by the Parties to the Scheme, or subject to such modifications approved by NCLT, as shall in the form and substance be acceptable to the Transferee and Transferor Companies and also read with conditions set out in Clause 16.2. References in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” or “Coming into Effect of this Scheme” shall mean the Effective Date;
- (ix) **“Liabilities”** in relation to the Transferor Companies means Loan Funds, Current Liabilities, Reserves and Surpluses (including balance in Profit and Loss Account), provisions and all other liabilities of the Transferor Companies as per the books of the Transferor Companies as at March 31, 2019;
- (viii) **“NCLT”** means the National Company Law Tribunal, Kolkata Bench
- (ix) **“NSE”** means The National Stock Exchange of India Limited.
- (x) **“IT Act”** means the Indian Income-tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof (including Income Tax Rules) for the time being in force;



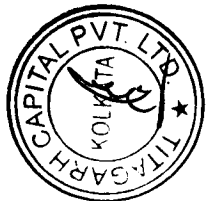
- (xi) **“Proceedings”** include any suit, appeal or any legal proceeding of whatsoever nature in any Court of law, or tribunal or any judicial or quasi-judicial body or any assessment proceeding before any authority under any law and also arbitration proceeding;
- (xii) **“Record Date”** means the date to be fixed by the Board of the respective Transferor Companies and the Transferee Company for the purpose of issuance of shares to the shareholders of the Transferor Company pursuant to the Clause 12 of the Scheme.
- (xiii) **“Registrar of Companies”** or **“ROC”** means the relevant Registrar of Companies having territorial jurisdiction in the state(s) in which the respective registered offices of the Companies are located;
- (xiv) **“Scheme”** or **“this Scheme”** or **“the Scheme of Amalgamation”** means this Scheme of Amalgamation in its present form as submitted to the NCLT or this Scheme with any amendment(s) or modification(s) if any, made by the shareholders of the respective Companies and accepted by the Boards of the respective Companies or such modification(s) as may be imposed by any Appropriate Authority and / or directed to be made by the NCLT(s) while sanctioning the Scheme and accepted by the Boards of the respective Companies;
- (xv) **“SEBI”** means the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992;
- (xvi) **“SEBI Circulars”** means (i) Circular No. CFD/DIL3/CIR/2017/21 dated March 10 2017, (ii) Circular No. CFD/DIL3/CIR/2017/26 dated March 23, 2017, (iii) SEBI Circular No. CFD/DIL3/CIR/2017/105 dated September 21, 2017, (iv) SEBI Circular No. CFD/DIL3/CIR/2018/2 dated January 03, 2018 issued by SEBI or any other circulars issued by SEBI applicable to scheme of arrangement from time to time;
- (xvii) **“Stock Exchanges”** means BSE Limited and NSE collectively;
- (xviii) **“Transferor Companies”** means Cimcco Limited and Titagarh Capital Private Limited;
- (xix) **“Transferee Company”** means Titagarh Wagons Limited;
- (xx) **“Undertaking”** or **“Undertaking of the Transferor Companies”** shall mean and include the whole of the assets, properties, liabilities and the undertaking(s) and entire business(es) of the Transferor Companies as a going concern and specifically include the following (without limitation):



- (a) All the assets and properties (whether movable or immovable, if any, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent of whatsoever nature and wherever situated) of the Transferor Companies, including, without being limited to all their lands (freehold or leasehold), buildings, factory, work shop, all plant and machinery, fixed assets, godown, guest house, tenancy right, work in progress, show room, office equipments, accessories, power lines, power station, sub-station, railway tracks, vehicles, furniture and fixtures, deposits, assets, current assets, premises, investments of all kinds (including shares, scripts, stocks, bonds, debenture stocks, units), cash balances including with banks, loans (including working capital loan), advances, contingent rights or benefits, receivables, refunds, claims, earnest moneys, advances or deposits paid by the Transferor Companies, their goodwill, financial assets, lease and hire purchase contracts, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantee, reversions, powers, municipal permissions, authorities, allotments, approvals, consents, licences, registrations, contracts, engagements, arrangements, customer contracts, customer approvals, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the

control of or vested in or granted in favour of, or enjoyed by the Transferor Companies including licenses, fixed and other assets, trade and service names liberties, patents, brand, trademarks, logo, designs, copyrights and other intellectual property rights of any nature whatsoever, import licences, quotas, permits, concessions, subsidies, approvals, authorisations, right to use and avail of telephones, telexes, facsimile connections, LAN installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets and properties and all agreements and all other interests held in trust, registrations, contracts, engagements, arrangements of all kinds, privileges and all other rights, benefits of all agreements, subsidies, grants, incentives, tax and other credits [including but not limited to credits in respect of Tax, income-tax, minimum alternate tax i.e. tax on book profits, (whether recorded or not in the financial statements), tax deducted at source, tax collected at source, advance tax, goods and service tax, value added tax, central sales tax, sales tax, CENVAT, MODVAT, excise duty, service tax, custom duty, octroy, entry tax etc), tax losses (including unabsorbed depreciation), brought forward tax losses, book losses for minimum alternate tax purposes, tax benefits and other claims and powers, all books of accounts, documents and records of whatsoever nature and wheresoever situated, easements, arrangements of all kind, privileges, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested or granted in favour of or enjoyed by the Transferor Companies or in connection with or relating to that of the Transferor Companies and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Companies

- (b) all intellectual property rights including patents designs, copyrights, trademarks, brands (whether registered or otherwise), logo, advertisement banner, goodwill, records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the business, activities and operations of the Transferor Companies;
- (c) all letters of intent, request for proposal, prequalification, bid acceptances (including benefit arising out of or in relation to any bank guarantees submitted to any authority in respect thereof by the Transferor Companies), tenders, contracts, deeds, memorandum of understanding, bonds, agreements, arrangements, track-record, technical know-how, technical experience (including experience in executing projects), experience, goodwill and all other rights, claims and powers and any other instrument of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Companies for all intents and purposes and specifically including but not limited to, the turnover, the profitability, performance, and market share, prequalification, net worth and reserves of the Transferor Companies;
- (d) right to any claim not preferred or made by the Transferor Companies in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or Scheme made by the Government, and in respect of set-off, carry forward of unabsorbed losses and/or unabsorbed depreciation, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income-tax Act, 1961, or taxation laws of other countries, or any other or like benefits under the said statute(s) or under and in accordance with any law or statute, whether in India or anywhere outside India;
- (e) all debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Companies and all other obligations of whatsoever kind, nature and description. Provided that, any reference in the security documents or arrangements



entered into by the Transferor Companies and under which, the assets of the Transferor Companies stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that Undertakings of the Transferor Companies only as are vested in Transferee Company by virtue of the Scheme and the Scheme shall not operate to enlarge security for any loan, deposit or facility created by the Transferor Companies which shall vest in Transferee Company by virtue of the amalgamation and Transferee Company shall not be obliged to create any further or additional security thereof after the amalgamation has become effective;

- (f) all other obligations of whatsoever kind, including liabilities of the Transferor Companies with regard to their employees with respect to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment;
- (g) All staff, workmen, and employees engaged in or relating to the business activities and operations of the Transferor Companies;
- (h) all balances with government, quasi-government, municipal, local and other authorities and bodies, customers and any other persons, earnest moneys and/or security deposits paid or received by the Transferor Companies; and
- (i) all books, records, files, papers, product specifications and process information, records of standard operating procedures, computer programs along with their licenses, manuals and backup copies, drawings, other manuals, data catalogues, emails, presentation, correspondences /communications with third parties/authorities, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form.

It is intended that the definition of Undertakings of the Transferor Companies under this clause will enable the transfer of all property, assets, rights, duties, obligations, entitlements, benefits, employees and liabilities of Transferor Companies with Transferee Company pursuant to this Scheme becoming effective.

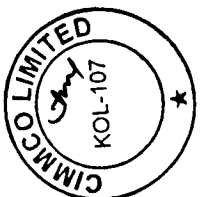
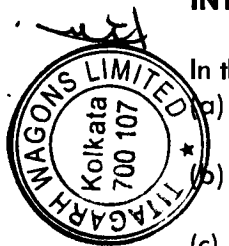
INTERPRETATION

In this Scheme, unless the context otherwise requires:

- (a) references to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
- (b) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- (c) words in the singular shall include the plural and vice versa; and
- (d) all the expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made thereunder), the Depositories Act, 1996, the IT Act or any other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

4. SHARE CAPITAL OF THE COMPANIES

4.1 The share capital of **Transferee Company** as on 31st March, 2019 is as under:



Authorised Capital is Rs. 228,10,00,000 (Rupees Two Hundred and Twenty Eight Crores and Ten Lakhs only) divided into 88,05,00,000 equity shares of Rs. 2/- each and 5,20,00,000 preference shares of Rs. 10/- each.

The issued, subscribed and paid up capital of the Transferee Company as at March 31, 2019 was Rs. 23,10,55,840/- (Rupees Twenty Three Crores Ten Lakhs Fifty Five Thousand Eight Hundred and Forty Only), divided into 11,55,27,920 equity shares of Rs. 2/- each fully paid up.

The issued, subscribed and paid up capital of the Transferee Company as on the date of approval of this Scheme by the Board i.e. August 14, 2019 is Rs. 23,12,12,340/- (Rupees Twenty Three Crores Twelve Lakhs Twelve Thousand Three Hundred and Forty Only), divided into 11,56,06,170 equity shares of Rs. 2/- each fully paid up.

4.2 SHARE CAPITAL OF TRANSFEROR COMPANY 1

The share capital of **Transferor Company 1** as on 31st March, 2019 is as follows:

Authorised Capital is Rs. 111,00,00,000 (Rupees One Hundred and Eleven Crores only) divided into 6,10,00,000 equity shares of Rs. 10/- each and 5,00,00,000 preference shares of Rs. 10/- each.

The issued, subscribed and paid up capital is Rs. 67,34,85,260/- (Rupees Sixty Seven Crores Thirty Four Lakhs Eighty Five Thousand Two Hundred and Sixty Only), divided into 2,73,48,526 equity shares of Rs. 10/- each fully paid up and 4,00,00,000 11% Non-Convertible Cumulative Redeemable Preference Shares of Rs.10 each fully paid up.

4.3 The share capital of **Transferor Company 2** as on 31st March, 2019 is as follows:

Authorised Capital is Rs. 46,00,00,000 (Rupees Forty Six Crores only) divided into 21,00,000 equity shares of Rs. 100/- each and 25,00,000 1% Non-Cumulative Compulsory Convertible Preference Shares of Rs. 100/- each.

The issued, subscribed and paid up capital is Rs. 40,00,00,000 (Rupees Forty Crores only) divided into 15,00,000 equity shares of Rs. 100/- each and 25,00,000 1% Non-Cumulative Compulsory Convertible Preference Shares of Rs. 100/- each fully paid.

As on date, the authorized, issued, subscribed and paid-up capital of the Transferor Companies remains the same as stated hereinabove. The authorized capital of the Transferee Company remains the same, however there has been increase in the issued, subscribed and paid-up capital since then as has been stated hereinabove.

5. DATE WHEN THE SCHEME COMES INTO OPERATION:

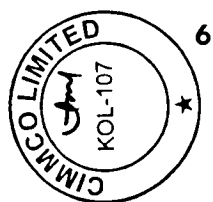
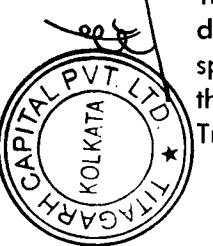
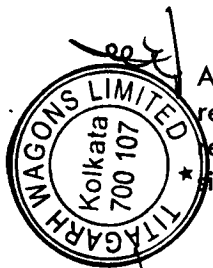
The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by NCLT, unless otherwise specified in the Scheme, operative from the Appointed Date as specified herein, shall become effective on the date on which certified copies of the final order of the Hon'ble NCLT sanctioning the Scheme are issued to the Transferor Companies and the Transferee Company.

PART II

TRANSFER AND VESTING OF UNDERTAKING OF TRANSFEROR COMPANIES

6. TRANSFER OF UNDERTAKING OF TRANSFEROR COMPANIES:

6.1 General



Upon coming into effect of this Scheme and with effect from the Appointed Date, the Undertakings of the Transferor Companies shall, pursuant to the sanction of this Scheme by the NCLT and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, and as and from the Appointed Date, the properties, estates, assets, titles and interests of the Transferee Company by virtue of and in the manner provided in the Scheme subject to all charges, liens, mortgages, lis pendens, if any, then affecting the same or any part thereof and all the creditors of the Transferor Companies shall become the creditors of the Transferee Company on the same terms and conditions.

6.2 Transfer of Assets

6.2.1 Without prejudice to the generality of Clause 6.1 above, upon coming into effect of this Scheme and with effect from the Appointed Date:

(a) All assets and properties comprised in the Undertakings of the Transferor Companies of whatsoever nature and wheresoever situated, shall, under the provisions of Section 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the assets and properties of the Transferee Company.

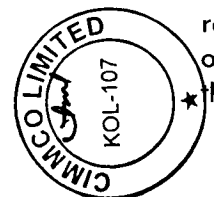
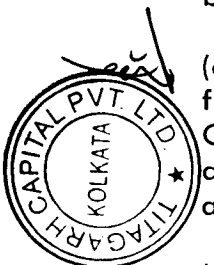
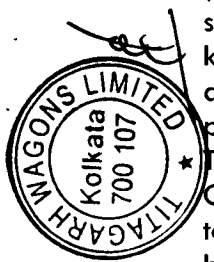
Provided that Board of Directors of the Transferee Company shall be entitled, at its discretion and as may be advised or considered fit, expedient or necessary, to determine the classification/reclassification and treatment of any or all of the assets and/or employees or any other rights, interests, obligations or anything else transferred to and vested in the Transferee Company pursuant to this Scheme.

(b) Without prejudice to the provisions of sub-clause (a) above in respect of such of the assets and properties of the Transferor Companies, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Companies and shall, upon such transfer, become the assets and properties of the Transferee Company as an integral part of its Undertakings without requiring any deed or instrument or conveyance for the same.

(c) In respect of the movables other than those dealt with in sub-clause (b) above including sundry debtors, receivables, bills, loans and advances, if any, whether recoverable in cash or in kind or for value to be recovered, bank balances, investments, earnest money and deposits with any Government, quasi-government, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (although the Transferee Company may if it so deems appropriate, give notice in such form as it may deem fit and proper, to each person, debtors or depositors, as the case may be, that the said debt, loan, advance, balance or deposit stand transferred and vested in the Transferee Company).

(d) The mutation of the ownership title, or interest in the immovable properties (whether freehold or leasehold of whatsoever nature and wherever so situated) related to the Transferor Companies in favour of the Transferee Company shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme and it becoming effective without any other deed or act required therefor in accordance with the terms thereof.

(e) All the licenses, permits, quotas, approvals, permissions, registrations, incentives, sales tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, customer registrations, customer approvals, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Companies and all rights and benefits that have accrued or which may accrue to the Transferor Companies, whether before or after the



Appointed Date, shall under the provisions of Section 230 to 232 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or deemed to be transferred to and vested in or be available to the Transferee Company so as to become as and from the Appointed Date, licences, permits, quotas, approvals, permissions, registrations, incentives, sales tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, customer registrations, customer approvals, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

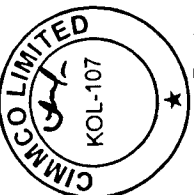
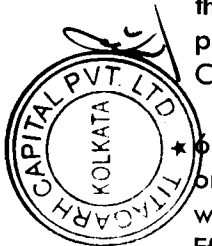
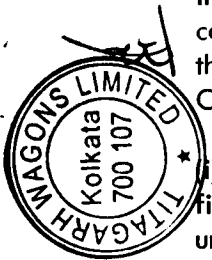
(f) In so far as the various incentives, subsidies, special status and other benefits or privileges enjoyed (including minimum alternate tax, sales tax, excise duty, custom duty, service tax, value added tax and other incentives), granted by any Government body, local authority or by any other person and availed of by the Transferor Companies is concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions as presently available to the Transferor Companies.

(g) With effect from the Appointed Date all permits, quotas, rights, entitlements, tenancies and licenses relating to brands, trademarks, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Undertakings of the Transferor Companies and which are subsisting or having effect immediately before the Appointed Date, shall be and remain in full force and effect in favour of the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a beneficiary or obligee thereto.

(h) With effect from the Appointed Date any statutory licenses, permissions, quotas, permits, approvals, consents, registrations, eligibility certificates, pre-qualification criteria, technical experience, fiscal incentives and no-objection certificates obtained and/or held by the Transferor Companies for their operations and/or to which the Transferor Companies are entitled to in terms of the various Statutes and / or Schemes of Union and State Governments, shall be available to and vest in, and/or be transferred to, the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities or any other person concerned therewith in favour of the Transferee Company. Since the Undertakings of the Transferor Companies will be transferred to and vested in the Transferee Company as going concerns without any break or interruption in the operations thereof, the Transferee Company shall be entitled to the benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Transferor Companies shall vest in, and become available to, the Transferee Company upon the Scheme coming into effect.

The Transferor Companies shall, if so required, also give notice in such form as it may deem fit and proper to the debtors, that pursuant to the sanction of this Scheme by Appropriate Authority under and in accordance with Sections 230 to 232 and all other applicable provisions, if any, of the Act, the said debtors shall pay to the Transferee Company the debt, loan or advance or make payment of the same on account of the Transferor Companies and the right of the Transferor Companies to recover or realize the same stands extinguished.

6.2.2 All assets and properties of the Transferor Companies as on the Appointed Date, whether or not included in the books of the respective Transferor Companies, and all assets and properties, which are acquired by the Transferor Companies on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company and shall under the provisions of Sections 230 to 232 and all other applicable provisions if any of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Section 230 to 232 of the



Act, provided however that no onerous asset shall have been acquired by the Transferor Companies after the Appointed Date without the prior written consent of the Transferee Company.

6.3 From the Effective Date and till such time that the names of the bank accounts of the Transferor Companies are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Companies, in its name, in so far as may be necessary.

6.4 In relation to the assets, properties and rights including rights arising from contracts, deeds, instruments and agreements, if any, which require separate documents of transfer including documents for attornment or endorsement, as the case may be, the Transferee Company will execute the necessary documents of transfer including documents for attornment or endorsement, as the case may be, as and when required or will enter into a novation agreement.

6.5 Transfer of Liabilities:

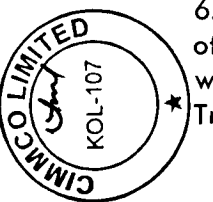
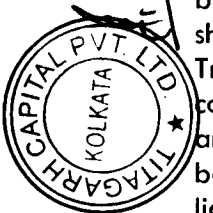
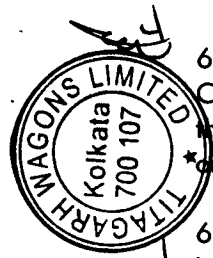
6.5.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, all Liabilities relating to and comprised in the respective Undertakings of the Transferor Companies shall, pursuant to the sanction of this Scheme by the Appropriate Authority and under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, and the same shall be assumed by the Transferee Company to the extent they are outstanding on the Effective Date so as to become as from the Appointed Date the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the respective Transferor Companies and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this clause.

6.5.2 All debts, liabilities, duties and obligations of all the Transferor Companies shall, as on the Appointed Date, whether or not provided in the books of the respective Transferor Companies, and all debts and loans raised and used, and duties, liabilities and obligations incurred or which arise or accrue to the respective Transferor Companies on or after the Appointed Date till the Effective Date shall be deemed to be and shall become the debts, loans raised and used, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme.

6.5.3 Where any such debts, liabilities, duties and obligations of the respective Transferor Companies as on the Appointed Date have been discharged by the Transferor Companies after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company.

6.5.4 All loans raised and utilized and all liabilities, duties and obligations incurred or undertaken by the respective Transferor Companies after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed be and stand transferred to or vested in or deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

6.5.5 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the respective Transferor Companies and the Transferee Company shall, *ipso facto*, stand discharged and come



to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any such inter-company loans, advances and other obligations with effect from the Appointed Date.

6.5.6 The Transferee Company may, at any time, after the coming into effect of this Scheme in accordance hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the creditors, or lenders, as the case may be, or in favour of any other party to the contract or arrangement to which the Transferor Companies are party or any writing, as may be necessary, in order to give formal effect to the provisions mentioned herein. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Companies as well as to implement and carry out all such formalities and compliances referred to above.

6.5.7 The Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Companies which shall vest in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be obliged to create any further, or additional security therefor after the amalgamation has become effective or otherwise.

6.5.8 Without prejudice to the foregoing provisions of this Clause 4.3:

(i) All debentures, bonds, notes or other debt securities, if any, of the Transferor Companies relating to the Liabilities comprised in their respective Undertakings (hereinafter referred to as the "**Debt Securities**") shall, under the provisions of Sections 230 to 232 and other relevant provisions of the Act, without any further act, instrument or deed, become the Debt Securities of the Transferee Company on the same terms and conditions and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and shall be exercised by or against the Transferee Company to the same extent as if it were the respective Transferor Companies in respect of the Debt Securities so transferred and vested.

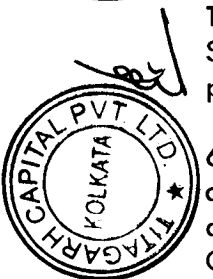
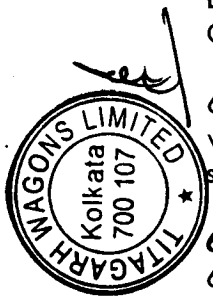
(ii) Any Debt Securities issued by the Transferor Companies and held by the Transferee Company shall, unless sold or transferred by the Transferee Company at any time prior to the Effective Date, stand cancelled as on the Effective Date and be of no effect and the Transferor Company shall have no further obligation in that behalf.

6.5.9 Any loans or other obligations, if any, due inter-se i.e. between the Transferor Companies with the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.

6.6 Encumbrances:

6.6.1 The transfer and vesting of the assets comprised in the respective Undertakings of the Transferor Companies to and in the Transferee Company under Clause 6.1 and Clause 6.2 of this Scheme shall be subject to the mortgage and charges, if any, affecting the same as hereinafter provided.

6.6.2 All the existing securities, charges, encumbrances or liens (the "**Encumbrances**"), if any, created by the Transferor Companies after the Appointed Date, in terms of the Scheme, over the assets comprised in their respective Undertakings or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to Liabilities of the Transferor Companies, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company.



6.6.3 The transfer and vesting of the Undertakings of the Transferor Companies as aforesaid shall be subject to the existing securities, encumbrances, charges and mortgages, if any, subsisting, over or in respect of the property and assets or any part thereof of the Transferor Companies.

Provided however, that any reference in any security documents or arrangements (to which the Transferor Companies, is a party) pertaining to the assets of Transferor Companies offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to such assets, as are offered or agreed to be offered as security, pertaining to the Transferor Companies as are vested in the Transferee Company by virtue of the aforesaid clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferor Companies or any of the assets of the Transferee Company. Further, the Transferee Company shall not be required to create any additional security over assets acquired by it under the Scheme for any loans, deposits or other financial assistance availed /to be availed by the Transferor Companies.

6.6.4 The existing Encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Companies transferred to and vested in the Transferee Company by virtue of this Scheme.

6.6.5 Any reference in any security documents or arrangements (to which a Transferor Company is a party) to the respective Transferor Company and in assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the respective Transferor Company and the Transferee Company may execute any instruments or documents or do all acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

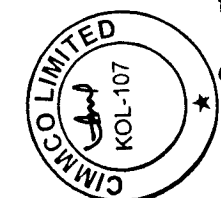
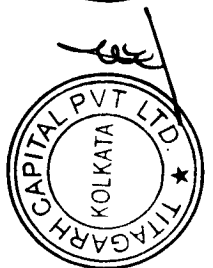
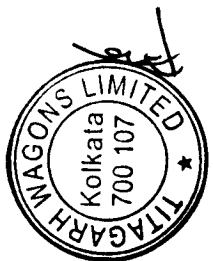
6.6.6 Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the liabilities, which have been transferred to it in terms of the Scheme.

6.6.7 It is expressly provided that, save as herein provided, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.

6.6.8 The provisions of this Clause 6.6.8 shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security documents; all of which instruments, deeds or writing shall stand modified and/or superseded by the foregoing provisions.

6.6.9 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute Deeds of Confirmation in favour of the secured creditors of the Transferor Companies or in favour of any other party to any contract or arrangement to which the respective Transferor Companies is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of the Scheme, be deemed to be authorised to execute any such writings on behalf of the respective Transferor Companies and to implement or carry out all such formalities or compliance referred to above on the part of the respective Transferor Companies, required to be carried out or performed.

6.7 Taxes:



6.7.1 All taxes (including but not limited to advance tax, self-assessment tax, regular tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withheld / paid in foreign country, value added tax, sales tax, service tax, goods and service tax etc.) paid / payable by or refunded / refundable to the Transferor Companies with effect from the Appointed Date, including all or any refunds or claims shall be treated as the tax liability or refunds / claims etc. as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, accumulated losses and allowance for unabsorbed depreciation as per Section 72A of the IT Act, losses brought forward and unabsorbed depreciation as per the books of account, deductions otherwise admissible such as under sections 40, 40A, 43B etc. of the IT Act, exemptions, credits, holidays, remissions, reductions, service tax input credits, GST input credits etc., as would have been available to the Transferor Companies, shall pursuant to this Scheme becoming effective be available to the Transferee Company. This clause is to be read along with Clause 22 of this Scheme.

6.8 Inter-se Transactions:

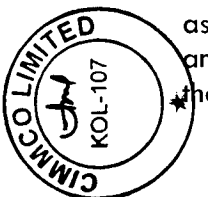
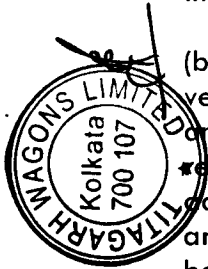
Without prejudice to the provisions of Clauses 6.1 to 6.4, with effect from the Appointed Date, all inter-party transactions between the Transferor Companies and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date. For the removal of doubt, it is clarified that upon the Scheme coming into effect and with effect from the Appointed Date, to the extent there are inter-corporate loans, deposits, investments, obligation, balances or other outstanding as between the Transferor Companies and/or the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be.

7. CONTRACTS, DEEDS ETC:

(a) Upon the coming into effect of this Scheme and subject to the provisions hereof, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances and other instruments of whatsoever nature to which any Transferor Companies is a party or to the benefit of which the respective Transferor Companies may be eligible and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, and be enforced as fully and effectually as if, instead of the respective Transferor Company, the Transferee Company had been party or beneficiary or obligee thereto or thereunder.

(b) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which any of the respective Transferor Company is a party or any writings may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the respective Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the respective Transferor Company to be carried out or performed.

(c) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, statutory licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of any of the respective Transferor Company shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Transferee



Company. The Transferee Company shall receive relevant approvals from the concerned Government Authorities as may be necessary in this behalf.

8. LEGAL PROCEEDINGS:

On and from the Appointed Date, all suits, actions and legal proceedings by or against any of the respective Transferor Company pending and/or arising on or before the Effective Date shall be continued and/or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and/or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or pending and/or arising by or against the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the respective Transferor Company with any union/employee of the respective Transferor Company.

9. TRANSFER OF PROFITS/LOSSES AND RESERVES

With effect from the Appointed Date, all profits (including losses), reserves, income accruing to or losses and expenditure, if any (including payment of penalty, damages or costs of litigation) arising to or incurred by the Undertaking of the Transferor Companies shall for all purposes, be treated as the profits or reserves or income or losses or expenditure, as the case may be of the Transferee Company.

10. CONDUCT OF BUSINESS:

10.1 With effect from the Appointed Date and up to and including the Effective Date:

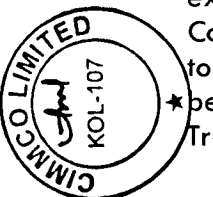
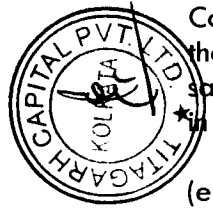
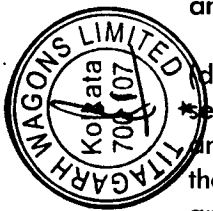
(a) The Transferor Companies shall carry on and shall be deemed to have carried on all their business and activities as hitherto and shall hold and stand possessed of their respective Undertakings on account of, and for the benefit of and in trust for, the Transferee Company.

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

(c) All assets howsoever acquired by the Transferor Companies for carrying on their businesses, operations or activities and the liabilities relating thereto shall be deemed to have been acquired and are also contracted for and on behalf of the Transferee Company.

(d) All taxes (including income tax, goods and services tax, sales tax, excise duty, customs duty, service tax, VAT etc.) paid or payable by the Transferor Companies in respect of the operations and/or the profits of their respective businesses/Undertaking before the Appointed Date, or after the Appointed Date, but before the Effective Date, shall be on account of the Transferee Company and, in so far as it relates to tax payment (including, without limitation, income tax, minimum alternate tax, sales tax, goods and services tax, excise duty, custom duty, service tax, VAT etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operation of their respective businesses after the Appointed Date, or during the period between the Appointed Date and Effective Date, the same shall be deemed to be the corresponding amount paid by the Transferee Company and shall, all proceedings be dealt accordingly.

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



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

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

- (i) if the same is in their ordinary course of businesses as carried on by it as on date of filing this Scheme with the NCLT; or
- (ii) if the same is permitted by this Scheme; or
- (iii) if written consent of the Transferee Companies have been obtained.

(b) The Transferor Companies shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to their businesses and affairs and operations (ii) any agreement or transaction (other than an agreement or transaction in ordinary course of the respective Transferor Company's business); and (iii) such other matters as the Transferee Company may notify from time to time; without the prior written consent of the Transferee Company.

10.3 Without prejudice to the above, the Transferor Companies from the date of filing this Scheme with the NCLT shall not make any change in their respective capital structures, whether by way of increase (by issue of equity shares on a rights basis, bonus shares or otherwise), decrease, reduction, reclassification, subdivision or consolidation, reorganization, or in any other manner which may, in any way, affect the Share Exchange Ratio except under any of the following circumstances:

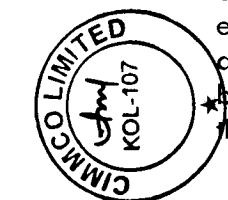
- (a) By mutual consent of the respective Board of Directors of the Transferor Companies and the Transferee Company; or
- (b) By way of any obligation already subsisting as on the date of filing this Scheme with the Appropriate Authority.

10.4 The Transferee Company shall also be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals, exemptions, relieves, etc., as may be required / granted under any law for the time being in force for carrying on businesses of the Transferor Companies.

11. EMPLOYEES:

11.1 Upon coming into effect of this Scheme:

(a) All the employees of the Transferor Companies who are in employment as on the Effective Date shall become the employees of the Transferee Company with effect from the Effective Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favourable than those on which they are engaged or employed by the Transferor Company. It is clarified that the employees of the Transferor Company who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the employees of the Transferee Company (including the benefits of or under any Employee Stock Option Schemes applicable to or covering all or any of the employees of the Transferee Company), unless otherwise determined by the Transferee



Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into by the Transferor Companies with any union/employee of the Transferor Companies.

(b) The existing provident fund, gratuity fund and pension and/or superannuation fund or trusts or retirement funds or benefits created by the Transferor Companies or any other special funds created or existing for the benefit of the concerned employees of the Transferor Companies (collectively referred to as "Funds") and the investment made out of such Funds shall, at an appropriate stage, be transferred to the Transferee Company to be held for the benefit of the concerned employees. The Funds shall, subject to the necessary approvals and permission and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Transferor Companies or be transferred to and merged with other similar funds of the Transferee Company. In the event that the Transferee Company does not have its own fund with respect to any such Funds, the Transferee Company may, subject to necessary approvals and permissions, continue to maintain the existing Funds separately and contribute therein, until such time as the Transferee Company creates its own funds into which the Funds and the investments and contributions pertaining to the employees of the Transferor Companies shall be transferred to such funds of the Transferee Company.

11.2 With effect from the first of the dates of filing of this Scheme with the Appropriate Authority and up to and including the Effective Date the Transferor Companies shall not vary or modify the terms and conditions of employment of any of its employees, except with the written consent of the Transferee Company.

11.3 It is clarified that the services of all transferred staff, workmen and employees of the Transferor Companies to the Transferee Company will be treated as having been continuous for the purpose of the aforesaid employee benefits and / or liabilities. For the purpose of payment of any retrenchment compensation, gratuity, and / or other terminal benefits, and / or any other liability pertaining to staff, workmen and employees, the past services of such staff, workmen and employees with the Transferor Companies shall also be taken into account by the Transferee Company, who shall pay the same as and when payable.

12. SAVING OF CONCLUDED TRANSACTIONS:

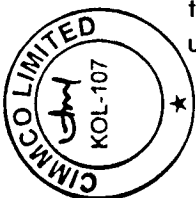
Subject to the terms of this Scheme, the transfer and the vesting of the Undertakings of the Transferor Companies under Clause 6 of this Scheme shall not affect any transaction or proceeding already concluded by the Transferor Companies on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Companies as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

13. OTHERS:

13.1 The Scheme does not involve any compromise or composition with the creditors of the Transferor Companies or the Transferee Company and the rights of the creditors of the Transferor Companies and the Transferee Company are not affected in any manner.

13.2 The charge and/or security of the secured creditors of the Transferor Companies and the Transferee Company shall remain unaffected by this Scheme.

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



13.4 Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, holidays, incentives, concessions and other authorisations in relation to the Transferor Companies, shall stand transferred by the order of the Appropriate Authority to the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the Appropriate Authority.

PART – III ISSUE OF CONSIDERATION BY TRANSFEEE COMPANY

14. CONSIDERATION:

14.1 On Merger of Transferor Company 1 with the Transferee Company (i.e. Cimmco with TWL)

i Upon the Scheme coming into effect, the Transferee Company shall without any further act or deed, issue and allot 13 Equity Shares of Rs.2/- each fully paid up for every 24 Equity Shares of Rs.10/- each fully paid up held by the shareholders of the Transferor Company 1 (other than shares held by Transferee Company in Transferor Company 1) whose names appear in the register of members as on the Record Date (as defined in the Scheme) or to their respective heirs, executors, administrators, or other legal representatives or successor-in-title as the case may be.

ii (ii) The new shares to be issued by Transferee Company on merger of Transferor Company 1 with Transferee Company shall be subject to the provisions of the Memorandum and Articles of Association of Transferee Company.

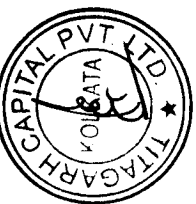
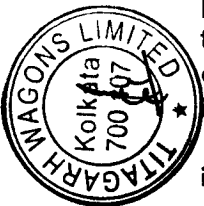
iii (iii) At the time of issue and allotment of the equity shares, the Board of Directors of the Transferee Company shall consolidate all fractional entitlement and allot all equity shares in lieu thereof to a corporate trustee or such other authorised representative(s) as the Board of Directors of the Transferee Company shall appoint in this behalf, who shall hold the equity shares issued in the Transferee Company in trust on behalf of the equity shareholders entitled to fractional entitlements with the express understanding that such corporate trustee or other authorised representative(s) shall sell the same in the market at such time or times and at such price or prices or to such person or persons as it/he /she /they may deem fit and pay to the Transferee Company the net sale proceeds thereof whereupon the Transferee Company shall distribute such net proceeds (after deduction of applicable taxes, if any), to the equity shareholders in proportion to their respective fractional entitlements. The Board of Directors of the Transferee Company, if it deems necessary, in the interest of allottees, approve such other method in this behalf as it may, in its absolute discretion deem fit.

iv The equity shares issued and allotted by the Transferee Company in terms of the Scheme shall rank pari-passu in all respect with the existing equity shares of the Transferee Company. Further, Transferee Company, if required, take all necessary steps to increase its authorised share capital for issue of equity shares pursuant to the Scheme

v In the event that the Transferor Company 1 and Transferee Company restructure its equity share capital by way of share split/consolidation/ issue of bonus shares during the pendency of the Scheme, the Share Exchange ratio shall be adjusted accordingly to take into account effect of such corporate actions.

vi The equity shares to be issued pursuant to this Scheme shall be issued to the shareholders of the Transferor Company 1 in such form, physical or dematerialised as permitted under Applicable Law.

vii In the event of there being any pending share transfers, whether lodged or outstanding of any shareholders of Transferor Company 1, the Board of Directors of Transferor Company 1 shall be empowered prior to the Record Date, to effectuate such transfers in the Transferor Company 1



as if such changes in registered holders were operative as on the Record Date, in order to remove any difficulties arising to the transferors of the shares in relation to the equity shares issued by the Transferee Company after the Scheme is effected. The Board of Directors of the Transferee 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 Transferee Company on account of difficulties faced in the transition period.

(viii) The equity shares issued and/or allotted pursuant to the Scheme in respect of such of the equity shares of the Transferor Company 1 which are held in abeyance under the provisions of Section 126 of the Act shall, pending settlement of the dispute by order of court or otherwise, be held in abeyance by the Transferee Company.

(ix) Upon the Scheme becoming effective, the issued, subscribed and paid up share capital of the Transferee Company shall stand suitably increased/ modified consequent upon the issuance of equity shares in accordance with the Scheme. It is clarified that no special resolution under section 62 of the Act or any other applicable provisions of the Act shall be required to be passed by the Transferee Company separately in a general meeting for issue of equity shares to the members of the Transferor Company 1 under this Scheme and on the shareholders of the Transferee Company approving this Scheme, it shall be deemed that they have given their consent to the issue of equity shares of the Transferee Company to the members of Transferor Company 1.

(x) It is clarified that upon the approval of this Scheme by the shareholders of the Transferor Company 1 and Transferee Company under Sections 230 and 232 of the Act, the shareholders shall be deemed to have approved this Scheme under Sections 13, 14, 42, 62, 186, 188 and any other applicable provisions under the Act, and that no separate approval from the shareholders or others if so applicable to that extent shall be required to be sought by the parties for the matters specified in this Scheme.

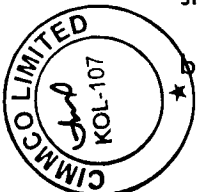
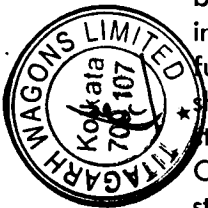
(xi) Upon coming into effect of this Scheme, the equity shares and preference shares of the Transferor Company 1 held by the Transferee Company as on the Effective Date (including shares of the Transferor Company 1 to be received by Transferee Company pursuant to merger of Transferor Company 2 with the Transferee Company) shall be extinguished or shall be deemed to be extinguished and all such equity shares and preference shares held by the Transferee Company in the Transferor Company 1 shall be cancelled and shall be deemed to be cancelled without any further application, act or deed. It is clarified that on and from the Effective Date, any equity shares and preference shares held by the Transferee Company in the Transferor Company 1 shall stand cancelled. Further, the investment in the equity shares and preference shares of the Transferor Company 1, appearing in the books of Transferee Company shall, without any further act or deed stand cancelled.

14.2 On Merger of Transferor Company 2 with the Transferee Company (i.e. TCPL with TWL)

a) *Cancellation of equity and preference shares held by Transferee Company in Transferor Company 2*

Upon coming into effect of this Scheme, the equity shares and preference shares of the Transferor Company 2 held by the Transferee Company as on the Effective Date shall be extinguished or shall be deemed to be extinguished and all such equity shares and preference shares held by the Transferee Company shall be cancelled and shall be deemed to be cancelled without any further application, act or deed. It is clarified that on and from the Effective Date, any equity shares and preference shares held by the Transferee Company in the Transferor Company 2 shall stand cancelled. Further, the investment in the equity shares and preference shares of the Transferor Company 2, appearing in the books of Transferee Company shall, without any further act or deed stand cancelled.

b) *Cancellation of preference shares held by Transferor Company 2 in the Transferor Company 1*



Upon coming into effect of this Scheme, the preference shares of the Transferor Company 1 held by the Transferor Company 2 on the Effective Date shall be extinguished or shall be deemed to be extinguished as Transferor Company 2 is also getting merged with Transferee Company and all such preference shares held by the Transferor Company 2 in the Transferee Company shall be cancelled and shall be deemed to be cancelled without any further application, act or deed. It is clarified that on and from the Effective Date, any preference shares held by the Transferor Company 2 in the Transferor Company 1 shall stand cancelled. Further, the investment in the preference shares of the Transferor Company 1, appearing in the books of Transferor Company 2 shall, without any further act or deed stand cancelled.

15. LISTING OF NEW EQUITY SHARES

15.1 After the Effective Date of this Scheme, the new equity shares to be issued and allotted by the Transferee Company in terms of clause 12 above shall be listed and shall be admitted for trading on the Stock Exchanges by virtue of this Scheme and in accordance with the provisions of SEBI Circulars. Transferee Company shall make all requisite applications and shall otherwise comply with the provisions of the aforesaid circulars and Applicable Laws and take all steps to get its share capital including the new equity shares issued by it in pursuance to this Scheme listed on the Stock Exchanges.

15.2 The new equity shares allotted by the Transferee Company pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated Stock Exchanges.

15.3 There shall be no change in the shareholding pattern of the Transferee Company between the Record Date and the listing which may affect the basis on which approval is received from the Stock Exchanges.

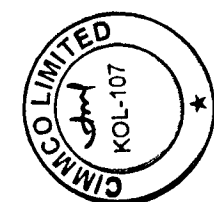
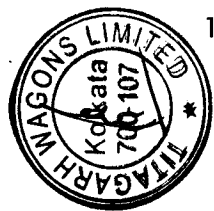
16. APPROVALS

16.1 The Transferor Companies and the Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to own the respective undertakings intended to be amalgamated unto it as hereinabove and to carry on the respective businesses.

16.2 This Scheme is specifically conditional upon and subject to:

- (a) The approval of and agreement to the Scheme by requisite majority of the members and Creditors of the Transferor Companies and the Transferee Company as may be directed by the National Company Law Tribunal on the applications made for directions under Section 230 of the said Act;
- (b) The sanction of the NCLT being obtained under Sections 230 to 232 of the said Act in favour of the Transferor Companies and the Transferee Company and to the necessary order or orders under Section 232 of the said Act, being obtained;
- (c) Receipt of approval of observation letter in relation to the Scheme from the relevant Stock Exchanges and SEBI in terms of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015;

The approval of the public shareholders of the Transferor Company and the Transferee Company in accordance with the provisions of the SEBI Circulars issued in this behalf. Such approval of public shareholders will be obtained through postal ballot and e-voting, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution, and the Scheme shall be acted upon only if the votes casted by public shareholders in favour of the Scheme are more than the



number of votes casted by public shareholders against it.

- (d) Approval of merger of Transferor Company 2 with the Transferee Company by the Reserve Bank of India.
- (e) Any other sanction or approval of the appropriate authorities concerned, as may be considered necessary and appropriate by the respective Boards of Directors of the Transferor Companies and the Transferee Company being obtained and granted in respect of any of the matters for which such sanction or approval is required;

17. CONSOLIDATION OF AUTHORISED CAPITAL

17.1 The Memorandum and Articles of Association of the Transferee Company (relating to authorised share capital) shall without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purpose of effecting this amendment, and no further resolution(s) under any other applicable provisions of the Act would be required to be separately passed, as the case may be and be replaced by the following clause:

“The Authorised Share Capital of the Company is Rs. 385,10,00,00,000/- (Rupees Three Hundred Eighty Five Crore Ten Lakhs only) divided into 94,36,00,000 (Ninety Five Crores Thirty Six Lakhs) Equity Shares of Rs 2/- (Rupees Two only) each and 145,00,00,000 (One Crore Forty Five Lakhs) Preference Shares of Rs. 10/- (Rupees Ten only) each, all or any part of the Share Capital shall be capable of being increased or reduced, classified or reclassified or re organized in accordance with the Company's Regulations and legislative provisions for the time being in force in that behalf, with power to divide the Shares in the Capital for the time being into Equity Share Capital and Preference Share Capital, to attach thereto respectively any preferential, qualified, deferred or special rights, privileges or conditions and to vary, modify or abrogate any such rights, privileges or conditions”.

17.2 Upon the Scheme becoming effective and the Transferor Companies being dissolved, the authorized capitals of the Transferor Companies as on the Appointed Date shall stand merged with the authorized capital of the Transferee Company, and the fee, if any, paid by Transferor Companies on its authorized capital before merger shall be set-off against any fees payable by the Transferee Company on its authorized share capital subsequent to the amalgamation.

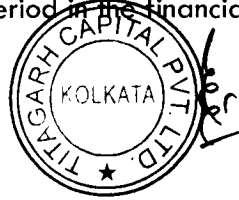
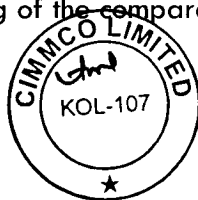
17.3 For the purpose of increase in authorized share capital of the Transferee Company, the stamp duty and fees paid on the authorised capitals of the Transferor Companies shall be utilised and applied to the increased authorised share capital of the Transferee Company and there would be no requirement for any other further payment of stamp duty and / or fee by the Transferee Company for increase in the authorised share capital to that extent.

PART – IV ACCOUNTING TREATMENT

18. ACCOUNTING TREATMENT

18.1 Notwithstanding anything to the contrary contained in any other Clause in the Scheme, upon the Scheme becoming effective, the amalgamation of Transferor Companies into Transferee Company, shall be accounted as per “Pooling of Interest Method” in accordance with Indian Accounting Standard (Ind AS 103), Business Combinations and other accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 as notified under section 133 of the Companies Act, 2013;

18.2 Comparative accounting period presented in the financial statements of the Transferee Company shall be restated for the accounting impact of merger, as stated above, as if the merger had occurred from the beginning of the comparative period in the financial statements.



PART V

DISSOLUTION OF THE TRANSFEROR COMPANIES AND GENERAL TERMS AND CONDITIONS

19. DISSOLUTION OF THE TRANSFEROR COMPANIES:

On the coming into effect of this Scheme, the Transferor Companies shall stand dissolved without winding up and without any further act or deed under Section 232 of the Act.

20. VALIDITY OF EXISTING RESOLUTIONS ETC.:

Upon the coming into effect of this Scheme, resolutions, if any, of any of the Transferor Companies, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolution has any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

21. PROCEEDINGS BEFORE THE APPROPRIATE AUTHORITY:

(a) The Transferor Companies and the Transferee Company shall file in the Appropriate Authority a joint application for convening and holding of meetings of their respective shareholders and creditors to be called, held and conducted in such manner or for their dispensation, as the Appropriate Authority may direct and to consider and if thought fit to approve, with or without modification, this Scheme.

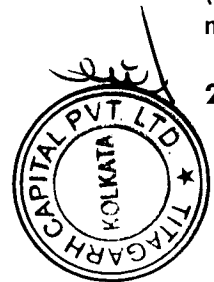
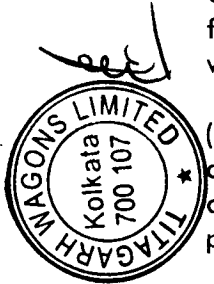
(b) On this Scheme being agreed by the requisite majority of members/creditors of the Transferor Companies and the requisite majority of members/creditors of the Transferee Company, the Transferor Companies and the Transferee Company shall apply to the Appropriate Authority for sanctioning the Scheme of Amalgamation under Sections 230 and 232 of the Companies Act, 2013 and for such other order, or orders, as the Appropriate Authority may deem fit for carrying this Scheme into effect and for dissolution of the Transferor Companies without winding up.

(c) It is hereby clarified that submissions of the Scheme to the Appropriate Authority and to any authorities for their respective approvals is without prejudice to all rights, interest, titles and defenses that the Transferor Companies and the Transferee Company has or may have under or pursuant to all applicable laws.

(d) The Transferor Companies and the Transferee Company shall also take such other steps as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.

22. MODIFICATION OR AMENDMENTS TO SCHEME:

22.1 The Transferor Companies and the Transferee Company by their respective Boards of Directors or any Committee thereof or any Director/ executive authorised in that behalf (hereinafter referred to as the "Delegate") may assent to, or make, from time to time, any modification(s) or addition(s) to this Scheme which may deem fit or which the NCLT or Appropriate Authority or any authorities under law may deem fit to approve or which the Appropriate Authority or any authorities under law may impose/suggest and which the Transferor Companies and the Transferee Company may in their absolute discretion accept or such modification(s) or addition(s) as the Transferor Companies and the Transferee Company or as the case may be, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme, and the Transferor Companies and the Transferee Company by their respective Boards of



Directors or delegates are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect, and/or give such consents as may be required in terms of this Scheme.

22.2 In the event that any conditions are imposed by the Appropriate Authority or any Governmental Authorities, which any of the Transferor Companies or the Transferee Company finds unacceptable for any reason, then the respective Transferor Company and the Transferee Company shall be at liberty to withdraw the Scheme.

22.3 It is however, clarified that any amendment or modification to this Scheme after sanction thereof shall be made in accordance with the provisions contained in Section 231 of the Act or any statutory medication thereof.

22.4 For the purposes of giving effect to this Scheme or to any modification(s) thereof or addition(s) thereto, the Delegates of the Transferor Companies and the Transferee Company may give and are authorised to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any manner whatsoever connected therewith or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be shall be binding on all the parties, in the same manner as if the same were specifically incorporated in this Scheme.

22.5 For the purpose of giving effect to this Scheme or to any modifications/ amendments thereof, the Directors of the Transferor Companies (prior to its dissolution in pursuance to Scheme) and of the Transferee Company may give and are authorised to give all such directions as are necessary including directions for resolving any question of doubt or difficulty that may arise.

22.6 Further, post approval of the Scheme by NCLT, if there is any confusion in interpreting any clause of this Scheme, or otherwise, the Board of Directors of the respective Companies shall jointly have complete power to take the most sensible interpretation so as to render the Scheme operational.

23. WITHDRAWAL OF THE SCHEME

The Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Board of Directors of the respective Companies prior to the Effective Date. In such a case, the Companies shall respectively bear their own cost or as may be mutually agreed.

24. COMPLIANCE WITH TAX LAWS AS APPLICABLE TO THE SCHEME

24.1 This Scheme is in compliance with the conditions relating to "amalgamation" as specified under Section 2(1B) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said Section of the IT Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the IT Act.

24.2 On or after the Effective Date, the Companies shall have the right to revise their financial statements and tax returns (including withholding tax returns) along with the prescribed



forms, filings and annexures under the provisions of the IT Act (including for the purpose of re-computing income tax under the normal provisions, minimum alternative tax, and claiming other tax benefits), Wealth Tax Act, 1957, customs duty law, central sales tax, applicable state value added tax, service tax laws, excise duty laws, Goods and Services tax, VAT law or other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax, tax deducted at source, goods and service tax, etc), and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme.

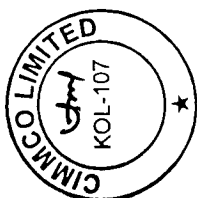
24.3 As and from the Effective Date, all tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies. Further, all tax proceedings shall not in any way be prejudicially affected by reason of the amalgamation of the Transferor Companies with the Transferee Company or anything contained in the Scheme.

24.4 Any tax liabilities under the IT Act, Wealth Tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, Goods and Service tax, VAT law or other applicable laws/ regulations dealing with taxes, duties, levies allocable or related to the business of the Transferor Companies to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred or stand transferred to Transferee Company. Any surplus in the provision for taxation / duties/ levies account including advance tax and tax deducted at source and MAT credit as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.

24.5 Any refund under the IT Act, Wealth-tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and service tax, VAT law or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Companies due to Transferor Companies consequent to the assessment made on Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

24.6 Any tax payment (including, without limitation, income-tax, minimum alternate tax, taxes withheld/ paid in a foreign country, dividend distribution tax, securities transaction tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and service tax, etc) whether by way of deduction at source, advance tax or otherwise, howsoever, by the Transferor Companies in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by Transferor Companies/ Transferee Company including on payables to Transferee Company/ Transferor Companies on account of investments (if any) held by the Transferee Company in the Transferor Companies which has been deemed not to be accrued, shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.

24.7 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Companies under the IT Act, Wealth Tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and service tax, VAT law or other applicable laws / regulations dealing with taxes / duties / levies shall be made or deemed to be have been made and duly complied with by the Transferee Company.



- 24.8 All deductions otherwise admissible to the Transferor Companies including payment admissible on actual payment or on deduction of appropriate taxes or on payment or tax deducted at source (such as under Sections 40, 40A, 43B, etc of the IT Act) shall be available for deduction to the Transferee Company as it would have been available to the Transferor Companies.
- 24.9 The accumulated losses and the allowances for unabsorbed depreciation of the Transferor Companies shall be deemed to be the loss and allowance for unabsorbed depreciation of the Transferee Company in accordance with Section 72A of the IT Act.
- 24.10 Further, the losses and unabsorbed depreciation as per books of accounts of the Transferor Companies as on the date immediately preceding the Appointed Date shall be deemed to be the brought forward losses and unabsorbed depreciation of the Transferee Company for the purpose of computation of book profit to calculate minimum alternate tax payable by the Transferee Company.
- 24.11 Without prejudice to the generality of the above, accumulated losses and allowance for unabsorbed depreciation as per Section 72A of the IT Act, losses brought forward and unabsorbed depreciation as per books of accounts, credits (including, without limitation income tax, minimum alternate tax, tax deducted at source, taxes withheld/ paid in a foreign country, wealth tax, service tax, excise duty, central sales tax, applicable state value added tax, customs duty drawback, goods and service tax, etc.) to which the Transferor Companies are entitled to in terms of applicable laws, shall be available to and vest in the Transferee Company, upon coming into effect of this Scheme.

25. COSTS AND EXPENSES

All costs, charges and expenses including but not limited to any stamp duty or registration fees or any lease premium payable on any deed, document, instrument or the NCLT Order pertaining to this Scheme or in connection with this Scheme and incidental to the completion of the merger of the Transferor Companies with the Transferee Company in pursuance of this Scheme shall be borne and paid by the Transferee Company. The Transferee Company shall be eligible for deduction of such expenditure incurred as per Section 35DD of the IT Act.

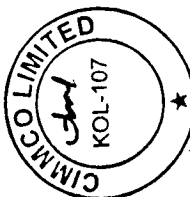
26. MISCELLANEOUS

26.1 If any part of this Scheme is found to be unworkable for any reason whatsoever, in the sole discretion of the Transferor Companies and the Transferee Company either by their respective Boards of Directors or through Committees appointed by them in this behalf, the same shall not, subject to the decision of the Transferor Companies and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

26.2 In the event that any conditions imposed by the Appropriate Authority are found unacceptable for any reason whatsoever by any Transferor Company or the Transferee Company, then the respective Transferor Company and/or Transferee Company shall be entitled to withdraw the Scheme in which event no rights and liabilities whatsoever shall accrue to or be incurred inter se to or by the parties or any of them.

26.3 On the approval of the Scheme by the members of the Transferor Companies and Transferee Company pursuant to Section 230 of the Act, it shall be deemed that the said members have also accorded all relevant consents under other provisions of the Act to the extent the same may be considered applicable for the purpose of this Scheme.

26.4 The mutation of the title to the immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme



becoming effective, in accordance with the terms hereof, in favour of the Transferee Company in respect of the immovable properties vested in it. Any inchoate title or possessory title of the Transferor Companies or its predecessor companies shall be deemed to be the title of the Transferee Company.

- 26.5 Further, the Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if the Board of Directors of the Transferor Companies and the Transferee Company are of view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up orders with any authority could have an adverse implication(s) on all or any of the Transferor Companies or the Transferee Companies.
- 26.6 If any part of this Scheme hereof is invalid, ruled illegal by any NCLT of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Companies and the Transferee Company that such part shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to the any of the Transferor Companies and /or the Transferee Company, then in such case the Transferor Companies and /or the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Companies and the Transferee Company the benefits and obligations of the Scheme, including but not limited to such part. Without prejudice to above, if the modification required is not acceptable, then the Companies can withdraw the Scheme.

