

**SCHEME OF AMALGAMATION
OF
TITAGARH BRIDGES AND INTERNATIONAL PRIVATE LIMITED
(AMALGAMATING COMPANY or TRANSFEROR COMPANY)
WITH
TITAGARH WAGONS LIMITED
(AMALGAMATED COMPANY or TRANSFEREE COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
(UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013)**

This Scheme of Amalgamation is presented pursuant to the provisions of Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules made there under (to the extent applicable) for the Amalgamation of Titagarh Bridges and International Private Limited with Titagarh Wagons Limited. The Scheme (as defined hereinafter) also provides for various other matters consequential to, or otherwise integrally connected with the above, as more specifically stated hereinafter.

1. INTRODUCTION AND OBJECTIVE OF THE SCHEME

1.1 INTRODUCTION

Amalgamating Company or Transferor Company

1.1.1 Titagarh Bridges and International Private Limited

- (i) Titagarh Bridges and International Private Limited ("Transferor Company" or "Amalgamating Company") is a Company incorporated under the Companies Act, 2013 having its registered office at Titagarh Towers, 756 Anandapur, E. M. Bypass, Kolkata – 700107, West Bengal, India. The Amalgamating Company was incorporated on 2nd January, 2017 and Corporate Identity Number (CIN) is U28900WB2017PTC218811. The Permanent Account Number (PAN) of the Company is AAKCM7790G
- (ii) The Amalgamating Company is engaged in the business of manufacturing, marketing and selling all types of bridges including metallic bridges and auxiliary products, including all metallic and modular bridge equipment parts related thereto
- (iii) The main objects of the Amalgamating Company are provided in sub clause i to iv of Clause III (a) of its Memorandum of Association.
- (iv) The Amalgamating Company is a wholly owned subsidiary of the Amalgamated Company.

Amalgamated Company or Transferee Company

1.1.2 Titagarh Wagons Limited

- (i) Titagarh Wagons Limited ("Transferee Company" or "Amalgamated Company") is a public limited company within the meaning of the Companies Act, 2013 having its registered office at Titagarh Towers, 756 Anandapur, E. M. Bypass, Kolkata – 700107, West Bengal, India and Corporate Identity Number (CIN) is L27320WB1997PLC084819. The Amalgamated Company was originally incorporated on 3rd July, 1997 as a limited company under the provisions of the erstwhile Companies Act, 1956. The Permanent Account Number (PAN) of the Company is AABCT1377P.
- (ii) 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.
- (iii) The Amalgamating Company is a wholly owned subsidiary of the Amalgamated Company. The Amalgamated Company's equity shares are listed and traded on the BSE Limited ("BSE") bearing ISIN: INE615H01020 & Scrip Code: 523966 and on the National Stock Exchange of India Limited ("NSE") bearing Symbol: TWL.
- (iv) The main objects of the Amalgamated Company are provided in sub-clause 1 to 9 of clause III (A) of its Memorandum of Association.

1.2 OBJECTIVES OF THE SCHEME

1.2.1 The Amalgamated Company is holding stake directly in the Amalgamating Company and the Amalgamating Company and Amalgamated Company's business activities complement each other and can be advantageously combined, and to achieve *inter-alia* economies of scale and efficiency, the merger of the companies is being undertaken. The amalgamation of the Amalgamating Company with the Amalgamated Company would *inter-alia* have the following benefits:

- (i) The amalgamation will enable appropriate consolidation of activities of Amalgamating Company and Amalgamated Company with pooling and more efficient utilization of their resources, greater economies of scale, reduction in overheads and other expenses and improvement in various operating parameters.
- (ii) To achieve consolidation, greater integration and flexibility which will maximize overall shareholder value and improve the competitive position of the combined entity.
- (iii) To achieve greater efficiency in cash management and unfettered access to cash flows generated by the combined entity which can be deployed more effectively to fund organic and inorganic growth opportunities.
- (iv) Improved organizational capability and leadership, arising from the pooling of human capital who have the diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry.

- (v) Synergy of operations for achieving organisational effectiveness; optimization of resources, enhanced integration and financial strength.
- (vi) Overall cost management is expected to be achieved from more focused operational efforts, rationalization, standardization and simplification of business processes, elimination of duplication and rationalization of administrative expenses.
- (vii) The amalgamation will result in streamlining the group structure, rationalization of multiplicity of entities, thereby reducing compliance cost of multiple entities viz., statutory filings, regulatory compliances, labour law/ establishment related compliances.

1.3 PARTS OF THE SCHEME

The scheme is divided into the following parts:

- Part I** — deals with Definitions, Interpretations and Share Capital
- Part II** — deals with the Amalgamation of Titagarh Bridges and International Private Limited (Amalgamating Company) with Titagarh Wagons Limited (Amalgamated Company)
- Part III** — deals with General Terms and Conditions

PART I

2. DEFINITIONS, INTERPRETATIONS, AND SHARE CAPITAL

2.1 DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meanings as mentioned herein below:

- 2.1.1 **"2013 Act" or "the 2013 Act" or "the Act"** means the Companies Act, 2013, and rules made there under and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force.
- 2.1.2 **"Amalgamated Company" or "Transferee Company"** means Titagarh Wagons Limited and shall have the same meaning as assigned to it in clause 1.1.2 above.
- 2.1.3 **"Amalgamating Company" or "Transferor Company"** means Titagarh Bridges and International Private Limited and shall have the meaning as assigned to it in clause 1.1.1 above.
- 2.1.4 **"Applicable Law(s)"** means any statute, notifications, bye-laws, rules, regulations, guidelines, Circulars or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force.
- 2.1.5 **"Appointed Date"** means 1st April, 2021 or such other date as may be fixed or approved by the respective Boards of Directors of Transferor and Transferee companies and as approved by _____ the _____ NCLT/Tribunal. _____ The Scheme shall be deemed to be effective from the Appointed Date.
- 2.1.6 **"Appropriate Authority"** means any government, statutory, regulatory, departmental or public body or authority of the Jurisdiction over Amalgamating Company and the Amalgamated Company, including Registrar of Companies and the National Company Law Tribunal.

- 2.1.7 **"Board of Directors" or "Board"** shall mean the Board of Directors of **Amalgamating Company or Amalgamated Company**, as the case may be or any committee thereof duly constituted or any other person duly authorized by the Board for the purpose of this Scheme.
- 2.1.8 **"Effective Date"** means the date on which the certified or authenticated copies of the order(s) sanctioning the Scheme, is passed by the Tribunal. Any references in this Scheme to the "date of coming into effect of this Scheme" or "effectiveness of the Scheme" or "Scheme taking effect" shall mean the Effective Date.
- 2.1.9 **"Employees"** mean the employees, if any, of the Amalgamating Company, as on the Effective Date.
- 2.1.10 **"Encumbrance"** means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term "Encumbered" shall be construed accordingly.
- 2.1.11 **"GST regulations"** means applicable provisions of the Central Goods and Services Tax Act, 2017 and/or the Integrated Goods and Services Tax Act, 2017 and/or respective State Goods and Services Tax Act and/or the Union Territory Goods and Services Tax Act, 2017 along with the applicable rules made thereunder.
- 2.1.12 **"INR"** means Indian Rupees.
- 2.1.13 **"IT Act"** means the Income-tax Act, 1961.
- 2.1.14 **"NCLT/Tribunal"** means the National Company Law Tribunal, Kolkata Bench.
- 2.1.15 **"Official Liquidator" or "OL"** means Official Liquidator, Kolkata having jurisdiction over the States of West Bengal.
- 2.1.16 **"Regional Director" or "RD"** means **Regional Director** at Kolkata having jurisdiction over the States of West Bengal.
- 2.1.17 **"Registrar of Companies" or "ROC"** means Registrar of Companies, Kolkata having jurisdiction over the State of West Bengal.
- 2.1.18 **"Schedules"** means the Schedules annexed or appended to this Scheme. The Scheme shall be read along with all the Schedules attached hereto.
- 2.1.19 **"Scheme" or "this Scheme" or "Scheme of Amalgamation"** means this Scheme of Amalgamation along with the Schedules attached hereto in its present form as submitted to the NCLT, with such modification(s), if any, as may be approved or imposed or directed by the NCLT.
- 2.1.20 **"SEBI"** means the Securities Exchange Board of India;
- 2.1.21 **"Stock Exchanges"** means BSE Limited (BSE) and National Stock Exchange (India) Limited (NSE) where the shares of the Amalgamated Company are listed & traded.
- 2.1.22 **"Undertaking of Amalgamating Company"** shall mean and include the whole of assets, properties, liabilities and the undertaking(s) and entire business(s) of Amalgamating Company, as may be applicable and specifically include the following (without limitation):

- (i) All the assets / properties of the Amalgamating Company, whether movable or immovable (including the Schedule annexed or appended to this Scheme pertaining to the immovable Properties, if any, of the Amalgamating Company as per the Schedule to this Scheme), whether tangible or intangible including all rights, title, interest, covenant in technology, technical cooperation agreement or other such arrangements, including continuing rights, title and interest in connection with the land and the buildings thereon whether, corporeal or incorporeal, leasehold or freehold, and includes all rights, titles, interest and covenant, undertakings, liability relating thereto, capital work in progress, other fixed assets, inventory and work in progress, all the loans and includes all rights, titles, interest and advances of Amalgamating Company as on the Appointed Date.
- (ii) All the debts, borrowings and liabilities, present or future, whether secured or unsecured of the Amalgamating Company as on the Appointed Date.
- (iii) All statutory licenses, including all licenses relating to development, production, marketing, manufacturing, selling drugs, approvals, permissions, no-objection certificates, permits, consents, patents, trademarks, tenancies, offices, depots, quotas, rights, entitlements, privileges, benefits of all contracts/agreements (including but not limited to contracts / agreements with vendors, customers, government etc.), all other rights (including but not limited to right to use and avail electricity connections, water connections, environmental clearances, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations, lease rights, easements, powers and facilities), of the Amalgamating Company as on the Appointed Date.
- (iv) All staff, workmen, and employees engaged in the Amalgamating Company as on the date of approval of the Scheme by the Tribunal.
- (v) All legal proceedings of whatsoever nature by or against the Amalgamating Company, is any pending as on the Appointed Date and relating to the Amalgamating Company.
- (vi) All records, files, papers, information, computer programs, manuals, data catalogues, quotations, sales advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records, whether in physical form or electronic form of Amalgamating Company.

2.2 Any references in the Scheme to the expressions "Upon approval of the Scheme by the Tribunal" / "From the date of approval of the Scheme by the Tribunal" / "Date of approval of the Scheme by the Tribunal" shall mean the date on which the NCLT approves/sanctions the Scheme in accordance with the provisions of Sub-Section 3 of Section 232 of the 2013 Act, read with Rule 17 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

2.3 The expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the 2013 Act and / or other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.

2.4 SHARE CAPITAL OF THE COMPANIES

2.4.1. The share capital of Transferor/Amalgamating Company as on 31st March 2021 is as under:

Particulars	Amount in Rupees (INR)
<u>Authorised</u> 40,000,000 equity shares of INR 10 each	400,000,000
<u>Issued, subscribed and paid-up</u> 34,455,764 equity shares of INR 10 each, fully paid up	344,557,640

Subsequent to 31st March 2021, there is no change in the authorised, issued, subscribed and paid up share capital of the Amalgamating Company. The entire issued, subscribed and paid up equity shares of the Amalgamating/Transferor Company is held by the Transferee/Amalgamated Company.

2.4.2. The share capital of Transferee/Amalgamated Company as on 31st March 2021 is as under:

Particulars	Amount in Rupees (INR)
<u>Authorised</u> 1,290,500,000 equity Shares of INR 2 each 127,000,000 preference shares of INR 10 each	2,581,000,000 1,270,000,000
<u>Issued, subscribed and paid-up</u> 119,387,589 equity shares of INR 10 each, fully paid up	238,775,178

Subsequent to 31st March 2021, there is no change in the authorised share capital of the Amalgamated Company, however issued, subscribed and paid-up share capital of the Amalgamated Company was increased to Rs. 239,034,178/- consisting of 119,517,089 equity shares of Rs. 2 each pursuant to allotment of 129,500 equity shares on 10th August, 2021 under TWL's Employee Stock Option Scheme 2014. The issued, subscribed and paid-up share capital of the Amalgamated Company was further increased to Rs. 239,142,178/- consisting of 119,571,089 equity shares of Rs. 2 each pursuant to allotment of 54,000 equity shares on 13th November, 2021 under TWL's Employee Stock Option Scheme 2014

PART II

AMALGAMATION OF AMALGAMATING COMPANY WITH AMALGAMATED COMPANY

3. TRANSFER AND VESTING OF UNDERTAKING OF AMALGAMATING COMPANY

- 3.1 Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all properties, assets, liabilities and undertaking(s) of the Amalgamating Company shall stand transferred to and vested in or deemed to be transferred to and vested in the Amalgamated Company under the provisions of Section 230 to 232 of the 2013 Act and all other applicable provisions, if any, of the 2013 Act and also in accordance with section 2(1B) of the Income-tax Act, 1961, without any further deed or act, subject to existing charges or *lis pendens*, if any thereon, in favour of banks/ financial institutions.
- 3.2 Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all immovable property (including land, buildings and any other immovable property) of the Amalgamating Company, whether freehold or leasehold, and any documents of

title, rights, agreements to sell / agreements of sale and easements in relation thereto, shall stand vested in the Amalgamated Company, without any act or deed done by the Amalgamated Company or the Amalgamated Company, and without any approval or acknowledgement of any third party. With effect from the Appointed Date, the Amalgamated Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation/ substitution of the title to such immovable properties shall be made and duly recorded in the name of the Amalgamated Company by the appropriate authorities pursuant to the sanction of the Scheme by the NCLT and in accordance with the terms hereof. The Amalgamating Company shall take all steps as may be necessary to ensure that lawful, peaceful and unencumbered possession, right, title, interest of its immovable property is given to the Amalgamated Company.

- 3.3 Without prejudice to the generality of the foregoing, with effect from the Appointed Date, it is expressly provided that in respect of such of the assets of the Amalgamating Company that are movable in nature and / or are otherwise capable of transfer by manual or constructive delivery and / or endorsement and delivery or novation, the same shall be deemed to have been so transferred by Amalgamating Company and shall become the property of the Amalgamated Company in pursuance of the provisions of section 230 to 232 of the 2013 Act, without any further act, instrument, deed, matter or thing.
- 3.4 In respect of movables other than those dealt with in Clause 3.3 above including sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, property development rights, 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 Amalgamated Company without any notice or other intimation to the debtors (although the Amalgamated Company may, without being obliged, and if it so deems appropriate, at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in the Amalgamated Company).
- 3.5 On and from the Effective Date, and thereafter, the Amalgamated Company shall be entitled to operate all bank accounts of the Amalgamating Company and realise all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Amalgamating Company in the name of the Amalgamated Company in so far as may be necessary until the transfer of rights and obligations of the Amalgamating Company to the Amalgamated Company under this Scheme have been formally given effect to under such contracts and transactions.
- 3.6 Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date all liabilities relating to and comprised in the undertaking of Amalgamating Company including all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Amalgamating Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised for its business activities and operations, shall, stand transferred to and vested in or deemed to be transferred to and vested in the Amalgamated Company under the provisions of Sections 230 to 232 of the 2013 Act and other applicable provisions, if any, of the 2013 Act, without any further act, instrument, deed, matter or thing.
- 3.7 The transfer and vesting as aforesaid shall be subject to subsisting charges, if any, in respect of any assets of Amalgamating Company.

PROVIDED always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed by the Amalgamating Company and Amalgamated Company shall not be obliged to create any further or additional security in relation to

subsisting charges, if any, thereof after the date of approval of this Scheme by the NCLT or otherwise.

- 3.8 Upon approval of the Scheme by the Tribunal, the Amalgamated Company shall, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangement with any party to any contract or arrangement to which the Amalgamating Company is a party in order to give formal effect to the above provisions. The Amalgamated Company shall be deemed to be authorized to execute any such writings on behalf of the Amalgamating Company to carry out or perform all such formalities or compliances referred to above on part of the Amalgamating Company.
- 3.9 Pursuant to this Scheme becoming effective, the Amalgamated Company shall be entitled to secure the record of the change in the legal ownership upon the vesting of the assets of the Amalgamating Company in accordance with the provisions of Sections 230 to 232 of the 2013 Act. The Amalgamating Company and the Amalgamated Company shall be jointly and severally authorized to execute any writings and / or carry out any formalities or compliance in this regard.
- 3.10 All taxes, duties, cess payable by the Amalgamating Company including all or any refunds / credit / claims pertaining to the period prior to the Appointed Date shall be treated as the liability or refunds / credit / claims, as the case may be, of the Amalgamated Company.
- 3.11 All the licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits (including tax benefits), subsidies, concessions, grants, rights, patents, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Amalgamating Company and all rights and benefits that have accrued or which may accrue to the Amalgamating Company, whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 of the 2013 Act and all other applicable provisions of the Act, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Amalgamated Company so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Amalgamated Company and shall remain valid, effective and enforceable on the same terms and conditions.
- 3.12 All the Insurance policies registered in the name of the Amalgamating Company which are active as on the date of approval of the Scheme by the Tribunal and which can be transferred/assigned shall pursuant to the provisions of Section 232 of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and or be deemed to have been transferred to and vested in and be available to the benefit of the Amalgamated Company and accordingly, the insurance companies shall record the name of the Amalgamated Company in all the insurance policies registered in the name of the Amalgamating Company so as to ensure that all the rights and privileges under all such policies available to the Amalgamating Company and /or to any other person/director/employee of such Amalgamating Company, whether in the capacity of the Policy Holder or Owner or Insured or the Beneficiary, as the case may be, be available to the benefit of the Amalgamated Company and / or to any other person/director/employee of Amalgamated Company, as the case may be, on the same terms and conditions as they were applicable to the Amalgamating Company concerned and upon such transfer/assignment, all such policies shall be effective in favour of the Amalgamated Company as if instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary thereto. However, for the insurance policies which do not permit such transfer/assignment, the Amalgamated Company may make fresh application(s) to the concerned authority/insurance company (ies) on such terms and conditions as may be prescribed. It is hereby clarified that all the costs and/or expenses and/or premiums in relation to the transfer/assignment/of the

insurance policies in the name of Amalgamating Company shall be borne by the Amalgamated Company and the Amalgamating Company shall have no further obligations in this regard.

- 3.13 Upon approval of this Scheme by the Tribunal and with effect from the Appointed Date, all existing and future incentives, unavailed credits and expenditures, exemptions and deductions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including MAT credit under the IT Act), excise (including Modvat / Cenvat), customs, VAT, sales tax, service tax, GST including the IGST input tax credit, CGST input tax credit and SGST input tax credit for the registrations of the Amalgamating Company to which the Amalgamating Company are entitled to shall be available to and vest in the Amalgamated Company.
- 3.14 The Amalgamated Company shall file relevant intimations, for the record of the statutory authorities signifying the transfer of the assets / properties including but not limited to permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions and other authorizations of the Amalgamating Company.

4. INTER- SE TRANSACTIONS:

Without prejudice to the provisions of Clause 3, with effect from the Appointed Date, all inter-party transactions between the Amalgamating Company and the Amalgamated Company shall be considered as intra-party transactions for all purposes.

5. LEGAL PROCEEDINGS:

If any suit, appeal or other proceedings of whatever nature by or against the Amalgamating Company is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of his amalgamation or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Amalgamated Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Amalgamating Company as if the Scheme had not been made.

On and from the date of approval of this Scheme by the Tribunal, the Amalgamated Company shall, and may, if required, initiate, continue any legal proceedings in relation to the Amalgamating Company.

6. CONTRACTS, DEEDS, OTHER INSTRUMENTS

- 6.1 Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Amalgamating Company is a party or the benefit to which the Amalgamating Company may be eligible, subsisting or operative immediately on or before the date of approval of this Scheme by the Tribunal, shall be in full force and effect against or in favour of Amalgamated Company and may be enforced as fully and effectively as if instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary thereto. Further; Amalgamated Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Amalgamating Company and to implement or carry out all formalities required on the part of the Amalgamating Company, to give effect to the provisions of this Scheme.
- 6.2 As a consequence of the amalgamation of the Amalgamating Company into the Amalgamated Company in accordance with or pursuant to this Scheme, the recording of change in name in the records of the statutory or regulatory authorities from the Amalgamating Company to the Amalgamated Company, whether pertaining to any licence, permit, approval or any other matter, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority.
- 6.3 For removal of doubts, it is expressly made clear that the dissolution of the Amalgamating Company without the process of winding up as contemplated hereinafter, shall not, except to

the extent set out in the Scheme, affect the previous operation of any contract, agreement, deed or any other instrument or beneficial interest to which the Amalgamating Company is a party thereto and shall not affect any right, privilege, obligations or liability, acquired, or deemed to be acquired prior to Appointed Date and all such references in such agreements, contracts and instruments to the Amalgamating Company shall be construed as reference only to the Amalgamated Company with effect from the Appointed Date.

7. CONDUCT OF BUSINESS UNTIL DATE OF APPROVAL OF THIS SCHEME BY THE TRIBUNAL

7.1 With effect from the Appointed Date up to the date of approval of this Scheme by the Tribunal:

7.1.1 Amalgamating Company shall carry on, and be deemed to have carried on its business, operations or activities, and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets, properties, liabilities or Undertaking (s) on behalf of and / or in trust for the Amalgamated Company.

7.1.2 All profits or income accruing or arising to the Amalgamating Company, or losses arising or expenditure incurred by it, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure, as the case may be, of the Amalgamated Company.

7.1.3 All assets howsoever acquired by the Amalgamating Company for carrying on its business, 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 Amalgamated Company.

7.1.4 The Amalgamated Company shall also be entitled, pending sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, department and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Amalgamated 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 business of the Amalgamating Company.

7.1.5 Amalgamating Company shall carry on its business, operations or activities with reasonable diligence and business prudence and shall not venture into / expand any new businesses, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of the Amalgamated Company.

7.1.6 The transfer of assets, properties, liabilities and the continuance of proceedings by or against the Amalgamating Company shall not affect any transaction or proceedings already concluded by the Amalgamating Company on or after the Appointed Date to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds things done and executed by the Amalgamating Company, in regard thereto as done executed by the Amalgamated Company on behalf of itself.

8. STAFF, WORKMEN, AND EMPLOYEES

8.1 Upon approval of this Scheme by the Tribunal, all staff, workmen and employees on the payrolls of the Amalgamating Company, in service on the date of approval of this Scheme by the Tribunal shall be deemed to have become staff, workmen, and employees of Amalgamated Company on such date without any break or interruption in their service and on the terms and conditions of their employment not less favourable than those subsisting with reference to Amalgamating Company as on the said date.

8.2 It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Amalgamated 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, other employees of the Amalgamated Company (including the benefits of or under any employee stock option schemes applicable to or covering

all or any of the, other employees of the Amalgamated Company), unless otherwise determined by, the Amalgamated Company.

- 8.3 The contributions with regard to benefit of employees of the Amalgamating Company being currently deposited with Regional provident Fund Organization, employee state insurance plan scheme, leave encashment compensated absences scheme or any other special scheme(s) or fund (s) created or existing, if any, shall stand substituted, upon approval of the Scheme by the Tribunal, in favour of the Amalgamated Company for all purposes whatsoever, related to the administration or operation of such schemes and intent that all the rights, duties, powers and obligation of Amalgamating Company in relation to such schemes shall become those of the Amalgamated Company. The Amalgamated Company will file the relevant intimations to the statutory authorities concerned who shall take the same on record and endorse the name of the Amalgamated Company for the Amalgamating Company.
- 8.4 It is clarified that the services of all transferred staff, workmen and employees of the Amalgamating Company, to the Amalgamated 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 Amalgamating Company shall also be taken into account by the Amalgamated Company, who shall pay the same if and when payable.
- 8.5 Upon approval of this Scheme by the Tribunal, the directors of the Amalgamating Company shall not automatically be entitled to any directorship in the Amalgamated Company by virtue of the provisions of this Scheme.

9. ENCUMBRANCES

- 9.1 The transfer and vesting of the assets comprised in the Undertaking to and in the Amalgamated Company shall be subject to the Encumbrances, if any, affecting the same.
- 9.2 All Encumbrances, if any, existing prior to the Effective Date over the assets of the Amalgamating Company which secure or relate to the Liabilities, shall, after the Effective Date, without any further act, instrument or deed, 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 Amalgamated Company. Provided that if any of the assets of the Amalgamating Company have not been Encumbered in respect of the Liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Amalgamated Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.
- 9.3 The existing Encumbrances over the other assets and properties of the Amalgamated Company or any part thereof which relate to the liabilities and obligations of the Amalgamated 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 Amalgamating Company transferred to and vested in the Amalgamated Company by virtue of the Scheme.

10. DISSOLUTION WITHOUT WINDING UP

Upon approval of this Scheme by the Tribunal, the Amalgamating Company shall be dissolved without winding up and without any further act or deed on the part of the Amalgamating Company pursuant to the provisions of Section 232 of the 2013 Act.

11. VALIDITY OF EXISTING RESOLUTIONS

Upon approval of this Scheme by the Tribunal, the resolutions of the Amalgamating Company as are considered necessary by the Board of Directors of the Amalgamated Company which are validly subsisting be considered as resolutions of the Amalgamated Company. If any such resolutions have any monetary limits approved under the provisions of the 2013 Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of the Amalgamated Company, shall be added to the limits, if any, under the like resolutions passed by the Amalgamated Company.

12. CONSIDERATION

The entire issued, subscribed and paid-up share capital of the Amalgamating Company is held directly by the Amalgamated Company and its nominees. Upon approval of this Scheme by the Tribunal, no shares of the Amalgamated Company shall be issued or allotted in lieu of its holding in the Amalgamating Company, and the paid-up share capital of the Amalgamating Company shall stand cancelled and extinguished. Consequently due to nil consideration, there shall not be any stamp duty payable. The investments in the shares of the Amalgamating Company, appearing in the books of account of Amalgamated Company or its subsidiary shall without any further act or deed, stand cancelled,

13. SUB DIVISION OF FACE VALUE OF EQUITY SHARES OF AMALGAMATING COMPANY AND CONSOLIDATION OF AUTHORIZED CAPITAL OF AMALGAMATING COMPANY AND THE AUTHORISED CAPITAL OF THE AMALGAMATED COMPANY

- 13.1 As an integral part of the Scheme, the face value of 1 (One) equity share of Amalgamating Company amounting to Rs.10/- (Rupees Ten only) shall be sub-divided into face value of Rs. 2/- (Rupees Two only) comprising 5 (Five) equity shares of Amalgamating Company, accordingly the authorised share capital of the Amalgamating Company shall be restructured as follows:

"The authorised share capital of the Amalgamating Company is Rs. 400,000,000/- (Rupees Forty Crores only) divided into 200,000,000 (Twenty Crore) equity shares of Rs. 2/- (Rupees Two only) each".

- 13.2 The members of the Amalgamating Company, on approval of the Scheme, shall be deemed to have given their approval u/s 61 of the 2013 Act and all other applicable provisions of the said act for sub-division of the face value of equity shares and for the amendment to the Authorized Capital of the Company and no separate resolutions will be required to be passed for sub-division of the face value of equity shares of the Company and for the amendment to the Authorized Capital of the Company under section 61 of the 2013 Act and no separate notice will be required to be given to the Registrar of Companies, for intimation of sub-division under section 64 of the 2013 Act.

- 13.3 Upon approval of this Scheme by the Tribunal and after the sub-division of the face value of the equity shares of the Amalgamating Company, the authorized share capital of the Amalgamated Company shall automatically stand increased without any further act, instrument or deed, by the authorized share capital of the Amalgamating Company, amounting in aggregate Rs. 400,000,000 (Rupees Forty Crores only) comprising 200,000,000 (Twenty Crore) equity shares of Rs. 2/- (Rupees Two only) each.

The Memorandum and Articles of association of the Amalgamated Company (relating to authorized 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 Section 13, 14, 61, 64 or any other applicable provisions of the 2013 Act would be required to be separately passed, as the case may be and for this purpose the stamp duty and fees paid on the authorized capital of the Amalgamating Company shall be utilised and applied to the increased authorized share capital of the Amalgamated Company. Pursuant to the approval of this Scheme by the Tribunal and consequent upon the amalgamation of the Amalgamating

Company into the Amalgamated Company, the authorized share capital of the Amalgamated Company will be as under:

Particulars	Amount in Rupees (INR)
<u>Authorised</u>	
1,490,500,000 equity Shares of INR 2 each	2,981,000,000
127,000,000 preference shares of INR 10 each	1,270,000,000
Total	4,251,000,000

It is clarified that the approval of the members of the Amalgamated Company to the Scheme shall be deemed to be given their consent / approval also to the alteration of the Memorandum and Article of Association of the Amalgamated Company as may be required under the Act and Clause V of the Memorandum of Association of the Amalgamated Company shall stand substituted by virtue of the Scheme to be read as follows:

Memorandum of Association:

"V. The Authorised Share Capital of the Company is Rs. 4,251,000,000/- (Rupees Four Hundred Twenty Five Crores Ten Lakhs only) divided into 1,490,500,000 (One Hundred Forty Nine Crores Five Lakhs) Equity Shares of Rs. 2/- (Rupees Two only) each, and 12,70,00,000 (Twelve Crores Seventy 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".

14. ACCOUNTING

14.1 ACCOUNTING TREATMENT IN THE BOOKS OF AMALGAMATED COMPANY:

Notwithstanding anything to the contrary contained herein, upon coming into effect of this scheme, the Amalgamated Company shall account for the amalgamation in its books of accounts in accordance with Appendix C - (Business combinations of entities under common control) of Indian Accounting Standard (Ind AS) 103, Business Combinations, other accounting principles prescribed under the Companies (India Accounting Standards) Rules, 2015 as notified under section 133 of Companies Act, 2013 and relevant clarifications issued by the Institute of Chartered Accountants of India and on the date determined in accordance with Ind AS.

It is clarified that the separate financial statements of the Amalgamated Company shall be restated (including comparative period presented in the financial statements) from the beginning of the preceding period.

14.2 ACCOUNTING TREATMENT IN THE BOOKS OF AMALGAMATING COMPANY:

As the Amalgamating Company shall stand dissolved without being wound up upon the Scheme becoming effective, hence there is no accounting treatment prescribed under this Scheme in the books of the Amalgamating Company.

PART III

GENERAL TERMS AND CLAUSES

15. CONSEQUENTIAL MATTERS RELATING TO TAX AND COMPLIANCE WITH LAW

15.1 This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under the tax laws, including section 2(1B), Section 47 and other relevant sections

of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the tax laws shall prevail. The Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Amalgamating Company and the Amalgamated Company, which power shall be exercised reasonably in the best interests of the companies concerned.

- 15.2 Upon approval of this Scheme by the Tribunal, all taxes / cess / duties payable by or on behalf of the Amalgamating Company up to the Appointed Date onwards including all or any refunds and claims, including refunds or claims pending with the revenue authorities for all purposes, be treated as the tax / cess / duty, liabilities or refunds and claims of the Amalgamated Company.
- 15.3 It is clarified that the entire taxes, including but not limited to prepaid taxes being tax deducted at source (TDS)/advance tax, MAT credits including the unutilized MAT credit upto the Appointed Date (1st April, 2021), if any, and also self-assessment taxes, if any, paid by the Amalgamating Company under the Income Tax Act, 1961 or any other statute in respect of income of the Amalgamating Company assessable for the period commencing from Appointed date (1st April, 2021), shall be deemed to be the taxes paid by the Amalgamated Company and credit for such taxes shall be allowed to the Amalgamated Company notwithstanding that certificates or challans or orders for such taxes are in the name of the Amalgamating Company and not in the name or the Amalgamated Company.
- 15.4 Upon approval of this Scheme by the Tribunal, the Amalgamated Company is expressly permitted to revise its income-tax returns, excise & CENVAT returns, service tax returns, other tax returns including GST and to restore as input credit of service tax/GST including IGST input tax credit. CGST input tax credit and SGST input tax credit for the registrations of the Amalgamating Company, in all the states adjusted earlier or claim refunds / credits.
- 15.5 The Amalgamated Company is also expressly permitted to claim refunds, credits, restoration of input CENVAT credit, GST including IGST input tax credit, CGST input tax credit and SGST input tax credit for the registrations of the Amalgamating Company, in all the states and tax deduction in respect of nullifying of any transaction between Amalgamating Company and Amalgamated Company as the case may be.
- 15.6 In accordance with the CENVAT Credit Rules framed under Central Excise Act, 1944, as are prevalent on the Date of approval of this Scheme by the Tribunal, the unutilised credits relating to excise duties paid on inputs / capital goods / input services lying in the accounts of the undertaking of the Amalgamating Company shall be permitted to be transferred to the credit of the Amalgamated Company, as if all such unutilised credits were lying to the account of the Amalgamated Company. The Amalgamated Company shall accordingly be entitled to set off all such unutilised credits against the excise duty / service tax payable by it.
- 15.7 Upon approval of this Scheme by the Tribunal, the Amalgamated Company is expressly permitted to revise its financial statements to give effect to the amalgamation of the Amalgamating Company pursuant to the provisions of the Scheme.
- 15.8 Within thirty days of the receipt of certified copy of the Order passed by the Tribunal sanctioning the Scheme, the Amalgamated Company and the Amalgamating Company shall cause a certified copy of the Order to be filed with the Registrar of Companies.

16. SCHEME CONDITIONAL ON APPROVAL / SANCTIONS

- 16.1 The Scheme is conditional upon subject to.
 - (a) Approval by requisite majority of the members and creditors of Amalgamating Company and Amalgamated Company as may be directed by the NCLT either by way of convening

a meeting or by way of a dispensation on production of consent affidavits or no-objection certificates;

(b) Approval of the scheme by relevant regulatory authorities;

(c) Sanction of the Scheme by the NCLT.

16.2 In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person.

16.3 If any part of this Scheme is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme, and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the Board of Directors of the companies involved in the Scheme shall attempt to bring about a modification in this Scheme, as will best preserve for the parties the benefits, and obligations of this Scheme, including but not limited to such part.

17. APPLICATION TO THE NCLT

17.1 The Amalgamating Company and the Amalgamated Company shall, with all reasonable dispatch, make and file applications/petitions jointly to the NCLT, under Sections 230 to 232 of the 2013 Act and other applicable provisions of the 2013 Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the classes of their respective members and / or creditors and for sanctioning this Scheme, with such modifications as may be approved by the NCLT.

17.2 Upon this Scheme being approved by the requisite majority of the respective members and creditors of the Amalgamating Company and the Amalgamated Company, (as may be directed by the NCLT in the manner specified herein) shall, with all reasonable dispatch, apply to the NCLT, for sanction of this Scheme under Sections 230 to 232 of the 2013 Act and other applicable provisions of the 2013 Act, and for such other order or orders, as the said NCLT may deem fit for carrying this Scheme into effect.

17.3 Upon approval of this Scheme by the Tribunal, the respective shareholders of the Amalgamating Company and the Amalgamated Company shall be deemed to have also accorded their approval under all relevant provisions of the 2013 Act for giving effect to the provisions contained in this Scheme.

18. COMPLIANCE WITH SEBI REGULATIONS:

18.1 Since the present Scheme solely provides for amalgamation of the wholly owned subsidiary with its parent company, no formal approval, is required from the Stock Exchanges or Securities and Exchange Board of India ('SEBI') for the Scheme, in terms of provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2017, and SEBI Circular No. CED/DIL3/CIR/2017/21 dated 10th March, 2017, and Circular No. CFD/DIL3/CIR/2018/2 dated January 03, 2018 as prevailing and applicable provisions, if any

18.2 In terms of the SEBI Regulations, the present Scheme of Amalgamation is only required to be filed with BSE and NSE (the Stock Exchanges where the Amalgamated Company is listed) for the purpose of disclosure and dissemination on its website.

18.3 The Amalgamated Company will comply with the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Listing Agreement, SEBI Regulations, SEBI Circulars and other applicable provisions, if any, in connection with the Scheme and other connected matters.

19. MODIFICATIONS / AMENDMENTS TO THE SCHEME

- 19.1 The Amalgamating Company and Amalgamated Company represented by their respective Board of Directors, may make and / or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the NCLT or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors).
- 19.2 The Amalgamating Company and the Amalgamated Company shall be at liberty to withdraw from this Scheme, in case of any condition or alteration imposed by the NCLT or any other authority or any bank or financial institution is unacceptable to them or otherwise if so mutually agreed.
- 19.3 The Amalgamating Company and Amalgamated Company by their respective Board of Directors shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or order of any other authority or otherwise however arising out of or under or by virtue of the Scheme and / or any matter concerned or connected therewith.

20. EFFECT OF NON-RECEIPT OF APPROVALS/ SANCTIONS

- 20.1 In the event of any of the said sanctions/approvals not being obtained and /or the Scheme not being sanctioned by the NCLT, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

21. COST, CHARGES, AND EXPENSES

- 21.1 All costs, charges, fees, taxes including duties (including the stamp duty and/or transfer charges, if any, applicable in relation to this Scheme), levied and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing the terms and conditions of this Scheme and matters incidental thereto shall be borne and paid by the Amalgamated Company. The Amalgamated Company shall be eligible for deduction of expenditure incurred as per section 35DD of the Income-tax Act, 1961.

22. MISCELLANEOUS

- 22.1 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 in accordance with the terms hereof, in favour of the Amalgamated Company in respect of the immovable properties vested in it. Any inchoate title or possessory title of the Amalgamating Company or their predecessor company shall be deemed to be the title of the Amalgamated Company.
- 22.2 It is the intention of the Amalgamating Company and Amalgamated Company that any Part of the Scheme, as may be mutually decided by the Board of Amalgamating Company and Amalgamated Company, shall be severable from the remainder of the Scheme and the Scheme shall not be affected by such alteration.