

SCHEME OF AMALGAMATION

By way of Merger by Absorption

**(Under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013
and the rules thereunder)**

AMONGST

**SADBHAV INFRASTRUCTURE PROJECT LIMITED
(TRANSFEROR COMPANY)**

AND

**SADBHAV ENGINEERING LIMITED
(TRANSFeree COMPANY)**

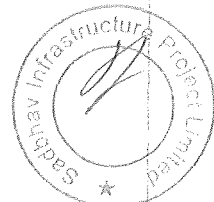
AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Certified True Copy

For Sadbhav infrastructure Project Ltd.


Company Secretary



PART I

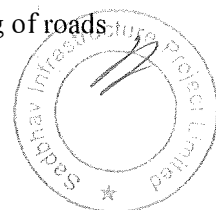
INTRODUCTION AND DEFINITIONS

A. PREMABLE

This Scheme of Amalgamation (the “**Scheme**”, more particularly defined hereinafter) provides for the amalgamation of Sadbhav Infrastructure Project Limited with and into Sadbhav Engineering Limited pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules made thereunder. This Scheme also provides for various other matters consequential thereto, or otherwise integrally connected therewith.

B. DESCRIPTION OF THE COMPANIES

1. Sadbhav Infrastructure Project Limited is a public limited company, incorporated under the Companies Act, 1956, under corporate identification number L45202GJ2007PLC049808 and having its registered office at Sadbhav House, Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad, Gujarat – 380 006 (hereinafter referred to as the “**Transferor Company**”). The Transferor Company is a subsidiary of the Transferee Company (as defined hereunder) and thereby forms part of the Sadbhav Group. The Transferee Company directly holds 69.05% of the equity share capital of the Transferor Company. The equity shares of the Transferor Company are listed on BSE Limited and National Stock Exchange of India Limited (together the “**Stock Exchanges**”). The Transferor Company is *inter alia* engaged in the business of development, construction as well as operation and maintenance of infrastructure projects and related consulting and advisory services.
2. Sadbhav Engineering Limited is a public limited company, incorporated under the Companies Act, 1956, under corporate identification number L45400GJ1988PLC011322 and having its registered office at Sadbhav House, Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad, Gujarat – 380 006 (hereinafter referred to as the “**Transferee Company**”). The equity shares of the Transferee Company are listed on the Stock Exchanges. The Transferee Company is an engineering, construction and infrastructure development company focusing on *inter alia* transportation - rehabilitation, upgradation, widening and strengthening of roads



and highways, and design and construction of depots, workshops, elevated ramps, elevated viaducts, and elevated stations for metro railways. The Transferee Company is the flagship company of the Sadbhav Group.

C. DESCRIPTION OF THE SCHEME

3. This Scheme (as defined hereunder) provides, *inter alia*, for:

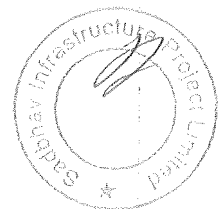
- (i) the amalgamation of the Transferor Company into the Transferee Company, by way of merger by absorption and dissolution of the Transferor Company without winding up and the consequent issuance of the Transferee Company Shares (as defined hereunder) in accordance with the Share Exchange Ratio (as defined hereunder) to the Eligible Members (as defined hereunder), in respect of each Transferor Company Share (as defined hereunder) held by them, in accordance with this Scheme (the “**Amalgamation**”);
- (ii) various other matters incidental, consequential or otherwise integrally connected therewith, including the increase in the share capital of the Transferee Company,

pursuant to Sections 230 to 232 and other relevant provisions of the Act (as defined hereunder), in the manner provided for in this Scheme, and in compliance with provisions of the IT Act (as defined hereunder).

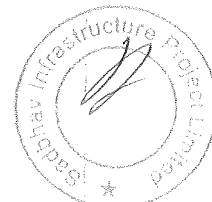
4. The Amalgamation of the Transferor Company into the Transferee Company shall be in compliance with the conditions relating to “amalgamation” as provided under Section 2(1B) and other related provisions of the IT Act such that, *inter alia*:

- (i) all the properties of the Transferor Company, immediately before the Amalgamation, shall become the properties of the Transferee Company, by virtue of the Amalgamation; and
- (ii) all the liabilities of the Transferor Company, immediately before the Amalgamation, shall become the liabilities of the Transferee Company, by virtue of the Amalgamation.

D. RATIONALE FOR THE SCHEME



5. The Amalgamation pursuant to this Scheme would, *inter alia*, have the following benefits:
- (i) The Amalgamation will result in consolidation of the businesses of the companies resulting in expansion of the consolidated business, facilitating simplified corporate structures, productive utilization of combined resources, operational and administrative efficiencies, economies of scale, reduction in overheads & other expenses, reduced inter-company transactions and reduction in the multiplicity of legal and regulatory compliances and consequently creation of greater value for shareholders and all other stakeholders.
 - (ii) The Amalgamation would be in the best interest of the public shareholders of the Transferor Company, as they would continue to play a part in the growth of Indian infrastructure through one of India's leading engineering, procurement and construction companies i.e., the Transferee Company.
 - (iii) The Amalgamation is expected to result in stability and enhancement in earnings and cash flow.
 - (iv) The Amalgamation is expected to result in operational effectiveness and cost optimisation, improved competitive position of the Transferee Company as the combined entity will have expanded business pre-qualifications, increased network to enable it to bid for larger and more complex infrastructure projects, improved credit rating due to better combined financial position, and provide better access to funds for growth opportunities.
 - (v) The Amalgamation is expected to achieve a stronger balance sheet resulting in improved allocation of capital, broader access to capital markets and lower cost of capital.
 - (vi) The Amalgamation would allow the Transferee Company to benefit from the complementary skills of the combined management team, which will in turn enhance the overall corporate capability, provide focused strategic leadership



and facilitate better supervision of the business.

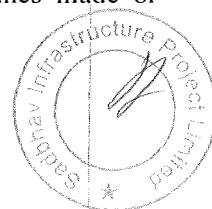
- (vii) The Amalgamation will result in all the shareholders of the Transferor Company and Transferee Company, deriving value for their shares as a result of their direct shareholding in the combined business, leading to a larger and diversified shareholder base, better trading and liquidity position in the equity shares and relatively higher market capitalization.
- (viii) The Amalgamation is in the interest of the shareholders, creditors and all other stakeholders of the respective companies and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

E. PARTS OF THE SCHEME

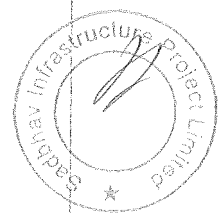
6. This Scheme is divided into the following parts:
- (i) **Part I**, which deals with the introduction and definitions, and sets out the share capital of the Transferor Company and the Transferee Company;
 - (ii) **Part II**, which deals with the Amalgamation and other related matters;
 - (iii) **Part III**, which deals with the changes to share capital of the Transferor Company and the Transferee Company; and
 - (iv) **Part IV**, which deals with the general terms and conditions applicable to this Scheme.

F. DEFINITIONS

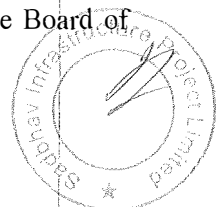
7. In this Scheme, unless repugnant to the meaning, subject or context thereof, the following expressions shall have the following meaning:
- (i) **“Act”** shall mean the Companies Act, 2013, as amended from time to time, and shall include any other statutory re-enactment thereof, read with all surviving and applicable provisions of the Companies Act, 1956 and shall include all rules, regulations, circulars, notifications, guidelines made or issued in relation thereto, from time to time;



- (ii) **“Amalgamation”** shall have the meaning ascribed to it in Clause 3(i);
- (iii) **“Applicable Law”** shall mean any applicable law, statute, ordinance, rule, regulation, guideline or policy having the force of law, of any Governmental Authority;
- (iv) **“Appointed Date”** shall mean 1st April 2019 or such other date as may be agreed by the Board of each of the Transferor Company and the Transferee Company and approved by the NCLT, or as directed or imposed by the NCLT;
- (v) **“Board”** in relation to any company, means the board of directors of such company and shall, where applicable, include a duly authorised committee of the Board;
- (vi) **“Effective Date”** means the later of the dates on which certified copies of the order passed by the NCLT is filed by the Transferor Company or the Transferee Company, as the case may be, with the relevant Registrar of Companies, upon satisfaction of the conditions set out under Clause 40 of this Scheme;
- (vii) **“Eligible Member”** shall mean each person whose name appears in the register of members of the Transferor Company and/or whose name appears as the beneficial owner of the Transferor Company Shares in the record of depositories on the Record Date at the Record Time (other than the Transferee Company itself);
- (viii) **“Employee Benefit Funds”** shall mean existing benefits including provident fund, gratuity fund and superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created for employees;
- (ix) **“Encumbrance”** or **“Encumber”** means any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other agreement or arrangement the effect of which is the creation of security, or any other right to acquire or option, any right of first refusal or any right of pre-emption, or any agreement or arrangement to create any of the same;

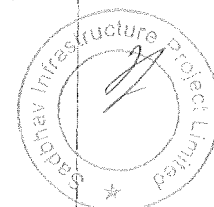


- (x) **“Governmental Authority”** means: (a) any national, federal, provincial, state, city, municipal, county or local government, governmental authority or political subdivision thereof; (b) any agency or instrumentality of any of the authorities referred to in clause (a); (c) any non-governmental regulatory or administrative authority, body or other organization, to the extent that the rules, regulations, standards, requirements, procedures or orders of such authority, body or other organization have the force of law; or (d) any court or tribunal having jurisdiction and including, without limitation or prejudice to the generality of the foregoing, SEBI, RBI, the NCLT and any Tax authority;
- (xi) **“Governmental Order”** means any judgment, order, writ, injunction, decree, decision or other requirement of any Governmental Authority (or, as the context requires, any Governmental Authority specified) other than any competition or anti-trust authority other than the Competition Commission of India;
- (xii) **“IT Act”** shall mean the Income Tax Act, 1961 or any statutory modifications or re-enactments or amendments thereof from time to time;
- (xiii) **“NCLT”** shall mean the National Company Law Tribunal at Ahmedabad, Gujarat;
- (xiv) **“Record Date”** shall mean the date fixed by the respective Board of the Transferor Company and Transferee Company for the purpose of determining the Eligible Members of the Transferor Company to whom the Transferee Company Shares shall be allotted pursuant to this Scheme;
- (xv) **“Record Time”** means 6:00pm (Indian Standard Time) on the Record Date;
- (xvi) **“Scheme”** means this scheme of amalgamation by way of merger by absorption and shall include any modification or amendment hereto, made in accordance with the terms hereof;
- (xvii) **“SEBI”** means Securities and Exchange Board of India;
- (xviii) **“SEBI Listing Regulations”** means the Securities and Exchange Board of



India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and shall include any statutory modifications or re-enactments or amendments thereof in force, or any act, regulations, rules, guidelines etc., that may replace such regulations, from time to time;

- (xix) **“SEBI Scheme Circular”** means the circular dated March 10, 2017, bearing reference number CFD/DIL3/CIR/2017/21 issued by SEBI, as amended or replaced from time to time;
- (xx) **“Share Exchange Ratio”** shall have the meaning ascribed to it in Clause 34(i);
- (xxi) **“Stock Exchanges”** shall have the meaning ascribed to it in Clause 1;
- (xxii) **“Tax” or “Taxes”** means any and all taxes (direct or indirect), surcharges, fees, levies, duties, tariffs, imposts and other charges of any kind in each case in the nature of a tax, imposed by any Governmental Authority (whether payable directly or by withholding), including taxes based upon or measured by income, windfall or other profits, gross receipts, property, sales, severance, branch profits, customs duties, excise, CENVAT, withholding tax, self-assessment tax, advance tax, service tax, goods and services tax, stamp duty, transfer tax, value-added tax, minimum alternate tax, banking cash transaction tax, securities transaction tax, taxes withheld or paid in a foreign country, customs duty and registration fees (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto);
- (xxiii) **“Transferee Company”** shall have the meaning ascribed to it in Clause 2;
- (xxiv) **“Transferee Company Shares”** means fully paid up equity shares of the Transferee Company, each having a face value of INR 1 (Rupee One only) and one vote per equity share;
- (xxv) **“Transferor Company”** shall have the meaning ascribed to it in Clause 1;
- (xxvi) **“Transferor Company Employees”** shall mean all the employees of the Transferor Company in service as on the Effective Date;



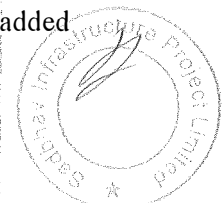
(xxvii) **“Transferor Company Shares”** means fully paid up equity shares of the Transferor Company, each having a face value of INR 10 (Rupee Ten only) and one vote per equity share;

(xxviii) **“Trustee”** shall have the meaning ascribed to it in Clause 34(ii);

(xxix) **“Undertaking”** means all the undertakings and entire business of the Transferor Company, as a going concern, and shall include (without limitation):

(a) all assets and properties (whether movable or immovable, tangible or intangible, present or future, in possession or reversion, of whatsoever nature and wherever situate) of the Transferor Company, including investments of all kinds (including but not limited to securities (marketable or not)), securitised assets, receivables and security receipts, mutual fund investments, all cash and bank balances (including cash and bank balances deposited with any banks or entities), money at call and short notice, loans, advances, contingent rights or benefits, reserves, provisions, funds, benefits of all agreements, bonds, debentures, debenture stock, units or pass through certificates, lands, buildings, structures and premises, whether leasehold or freehold (including offices, warehouses, sales and/or marketing offices, liaison offices, branches, factories), work-in-progress, current assets (including sundry debtors, bills of exchange, loans and advances), fixed assets, vehicles, furniture, fixtures, share of any joint assets, and other facilities;

(b) all applications, permits, registrations, rights, entitlements, licenses, permissions, approvals, subsidies, concessions, clearances, credits, awards, sanctions, allotments, quotas, no-objection certificates, subsidies, Tax deferrals, Tax credits, (including any credits arising from advance Tax, self-assessment Tax, other income Tax credits, withholding Tax credits, minimum alternate Tax credits, CENVAT credits, goods and services Tax credits, other indirect Tax credits and other Tax receivables), other claims under Tax laws, incentives (including incentives in respect of income Tax, sales Tax, value added



Tax, service Tax, custom duties and goods and services Tax), benefits, Tax exemptions, Tax refunds (including those pending with any Tax authority), advantages, benefits and all other rights and facilities of every kind, nature and description whatsoever; authorities, consents, deposits, privileges, exemptions available to the Transferor Company, receivables, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, email, internet, leased line connections and installations, electricity and other services, provisions and benefits of all engagements, agreements, contracts, letters of intent, memoranda of understanding, cheques and other negotiable instruments (including post-dated cheques), benefit of assets or properties or other interest held in trust, benefit of any security arrangements, expressions of interest whether under agreement or otherwise, and arrangements and all other interests of every kind, nature and description whatsoever enjoyed or conferred upon or held or availed of by and all rights and benefits;

- (c) all contracts, agreements, memoranda of undertakings, memoranda of agreements, arrangements, undertakings, whether written or otherwise, deeds, service agreements, or other instruments (including all tenancies, leases, and other assurances in favour of the Transferor Company or powers or authorities granted by or to it) of whatsoever nature along with any contractual rights and obligations, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date;
- (d) all intellectual property rights, including patents, copyrights, trade and service names, service marks, trademarks, domain names and other intellectual property of any nature whatsoever, goodwill, receivables, belonging to or utilized for the business and activities of the Transferor Company;
- (e) all records, files, papers, computer programs, software licenses, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers, suppliers and employees,

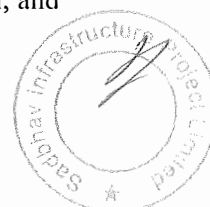


customer credit information, customer pricing information, and other records whether in physical or electronic form belonging to or held by the Transferor Company;

- (f) all present, and contingent future liabilities of the Transferor Company including all debts, loans (whether denominated in rupees or a foreign currency), term deposits, time and demand liabilities, borrowings, bills payable, interest accrued and all other duties, liabilities, undertakings and obligations (including any post-dated cheques or guarantees, letters of credit, letters of comfort or other instruments which may give rise to a contingent liability in whatever form);
- (g) all legal proceedings, including quasi-judicial, arbitral and other administrative proceedings, of whatsoever nature involving the Transferor Company; and
- (h) the Transferor Company Employees and the Employee Benefit Funds of the Transferor Company.

G. INTERPRETATION

- 8. The terms referred to in this Scheme shall, unless defined otherwise in this Scheme or inconsistent with the meaning or context thereof, bear the meaning ascribed to them under the relevant statute/ legislation.
- 9. All references in this Scheme to statutory provisions shall be construed as meaning and including references to:
 - (i) any statutory modification, amendment or re-enactment made after the date of approval of this Scheme by the Board of each of the Transferor Company and the Transferee Company and for the time being in force;
 - (ii) all subordinate legislation made, from time to time, under that provision (whether or not modified, amended or re-enacted);
 - (iii) all statutory instruments or orders made pursuant to a statutory provision; and



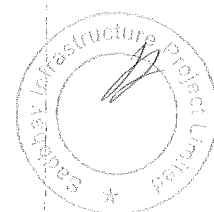
- (iv) any statutory provision of which these statutory provisions are a modification, amendment or re-enactment.
10. Words denoting the singular shall include the plural and words denoting any gender shall include all genders.
11. Headings, sub-headings, titles, sub-titles to clauses, sub-clauses, sections and paragraphs are for information only and shall not form part of the operative provisions of this Scheme or schedules hereto and shall be ignored in construing the same.
12. References to clauses and schedules are, unless the context otherwise requires, references to clauses and schedules to this Scheme.
13. The words “include” and “including” are to be construed without limitation.
14. Any references to “writing” shall include printing, typing, lithography and other means of reproducing words in visible form.

H. SHARE CAPITAL

15. The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on September 30, 2019 is as follows:

| Particulars | Amount in INR |
|--|---------------|
| <u>Authorised</u> | |
| 40,30,00,000 equity shares of INR 10 each | 403,00,00,000 |
| <u>Issued, Subscribed and Paid-up Share Capital</u> | |
| 35,22,25,216 equity shares of INR 10 each | 352,22,52,160 |

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid-up share capital till the date of approval of this Scheme by the Board on October 19, 2019.



16. The authorised, issued, subscribed and paid-up share capital of the Transferee Company as on September 30, 2019 is as follows:

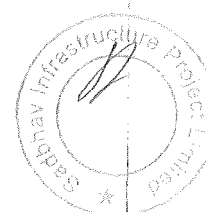
| Particulars | Amount (in INR) |
|--|-----------------|
| <u>Authorised</u> | |
| 20,00,00,000 equity shares of INR 1 each | 20,00,00,000 |
| <u>Issued, Subscribed and Paid-up Share Capital</u> | |
| 17,15,70,800 equity shares of INR 1 each | 17,15,70,800 |

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid-up share capital till the date of approval of this Scheme by the Board on October 19, 2019.

17. The authorised share capital of the Transferor Company will be transferred to the Transferee Company as stated in Clause 35 of this Scheme.

I. DATE OF TAKING EFFECT AND OPERATIVE DATE

18. This Scheme set out herein in its present form or with any modification(s), as may be approved or imposed or directed by the NCLT, or made as per Clause 39 of this Scheme, shall become effective from the Appointed Date, but shall be operative from the Effective Date.

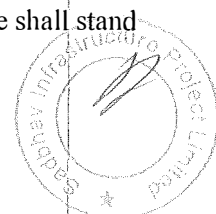


PART II**AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE
TRANSFeree COMPANY AND OTHER RELATED MATTERS****19. AMALGAMATION**

Upon this Scheme becoming effective and with effect from the Appointed Date, the Transferor Company shall stand amalgamated with and into the Transferee Company, and its Undertaking shall, pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act and in accordance with Section 2(1B) of the IT Act, be and stand amalgamated with and be transferred to and vested in or deemed to have been vested in the Transferee Company, as a going concern, without any further act, instrument, deed, matter or thing so as to become as and from the Appointed Date, the Undertaking of the Transferee Company, by virtue of and in the manner provided in this Scheme.

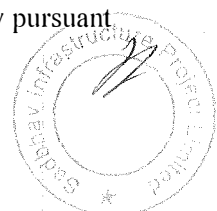
20. TRANSFER/VESTING OF ASSETS

- (i) Without prejudice to the generality of Clause 19 above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances of the Undertaking, of whatsoever nature and wherever situate, whether or not included in the books of the Transferor Company shall, subject to the provisions of this Clause 20 in relation to the mode of vesting and pursuant to Sections 230 to 232 of the Act and without any further act, deed, matter or thing, be and stand transferred to and vested in or shall be deemed to have been transferred to and vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest and authorities of the Transferee Company.
- (ii) Without prejudice to the generality of Clause 20(i), in respect of such of the assets of the Transferor Company as are movable in nature or are otherwise capable of transfer by delivery of possession (physical or constructive delivery), or by endorsement and delivery or by operation of law pursuant to the vesting orders of the NCLT sanctioning this Scheme, the same shall stand



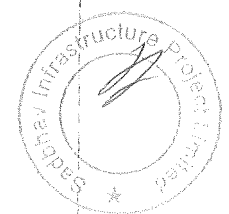
transferred to and vested in the Transferee Company, and shall be deemed to be and have become the property of the Transferee Company by operation of law without requiring any deed or instrument of conveyance for transfer of the same to the Transferee Company, with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.

- (iii) Without prejudice to the generality of Clause 20(i), assets (other than those referred to in sub-Clause (ii) above) such as investments in shares, mutual funds, bonds and other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Governmental Authority, local or other authorities and bodies, customers and other persons, the same shall, without any further act, instrument or deed and by the operation of law be transferred to and vested in and/or be deemed to be transferred to and vested in and become the property of the Transferee Company, and the title thereof together with all rights, interests or obligations therein shall be deemed to stand vested in the Transferee Company, with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act. All investments of the Transferor Company shall be recorded in the name of the Transferee Company by operation of law as transmission in favour of the Transferee Company, as a successor in interest and any document of title in the name of the Transferor Company shall also be deemed to have been mutated and recorded in the Transferee Company to the same extent and in the same manner as originally held by the Transferor Company and enabling the ownership, right, title and interest therein as if the Transferee Company was originally the Transferor Company. The Transferor Company shall, subsequent to the order(s) of the NCLT, be entitled to the delivery and possession of all documents of title of such movable property in this regard.
- (iv) Without prejudice to the generality of Clause 20(i), all immovable properties of the Transferor Company, including land(s) and/or together with buildings and structures standing thereon, estates and rights and interests in all immovable properties of the Transferor Company, whether freehold or leasehold or otherwise and all documents of title, rights and easements, including pending mutation(s) in relation thereto, shall stand vested in and/or deemed to have been vested in the Transferee Company, as successor in interest and/or title to the Transferor Company, by operation of law pursuant



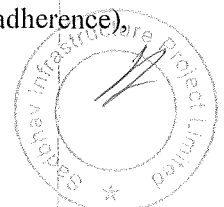
to the order(s) of the NCLT sanctioning this Scheme. Such assets shall stand vested in the Transferee Company and shall be deemed to be and have become the property of the Transferee Company by operation of law. The Transferee Company shall always be entitled to all the rights and privileges attached in relation to such immovable properties and shall be liable to pay appropriate rent, rates and taxes and fulfil all obligations in relation thereto or as applicable to such immovable property. The title to such properties shall be deemed to have been mutated and as regards pending mutation(s) shall be deemed to have been mutated in the name of the Transferee Company and recognised as that of the Transferee Company and the mere filing of necessary documents with the appropriate Registrar or Sub-Registrar of Assurances or with the relevant Governmental Authorities shall suffice as record of continuing titles with the Transferee Company and shall constitute a deemed mutation. The Transferee Company shall, pursuant to the order(s) of the NCLT, be entitled to the delivery and possession of all documents of title to such immovable property. It is hereby clarified that all the rights, title and interest of the Transferor Company in any leasehold properties shall, pursuant to Section 232(4) of the Act and the provisions of this Scheme, without any further act, instrument or deed, be vested in or deemed to have been vested in the Transferee Company.

- (v) Provided that, if required, for the purpose of giving effect to the orders passed under Sections 230 to 232 of the Act in respect of this Scheme, the Transferee Company shall at all times be entitled to effect change in the title and the appurtenant legal right(s) upon the vesting of such properties (including all immovable properties) of the Transferor Company in accordance with the provisions of Sections 230 to 232 of the Act, at the office of the respective Registrar of Assurances or any other appropriate authority, in the jurisdiction where any such property is situated. The Transferee Company shall be entitled to engage in such correspondence, execute such documents and agreements and make such representations as may be necessary to effect the mutation, if required. However, such correspondence, documents and agreements entered into by the Transferee Company in furtherance of this Scheme for ease of completion of mutation shall be deemed to be an integral part of this Scheme and the order sanctioning the same and such correspondence, documents and agreements, shall not constitute a separate instrument.



21. **CONTRACTS, DEEDS, LICENSES ETC.**

- (i) Upon this Scheme becoming effective and with effect from the Appointed Date and subject to the provisions of this Scheme, the Transferee Company shall stand substituted in and shall always be deemed to have been party to all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature and wheresoever situate, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible or for the obligations of which the Transferor Company may be liable, including in any joint operating agreements or agreements of similar kind, if any, and which are subsisting or being effective on or immediately before the Effective Date (collectively referred to as the “**Agreements**”), and all such Agreements and all interest therein shall continue in full force and effect on or against or in favour, as the case may be, of the Transferee Company and shall be binding on and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. The Transferee Company, if so required, shall provide certified copies of the order(s) of the NCLT sanctioning this Scheme to the counter parties of the Agreements for information purposes and such party or authority shall make and duly record the necessary substitution or endorsement in the name of the Transferee Company as successor without any break in the validity and enforceability of such Agreements. However, till the time such substitution/endorsement is actually effected, the Transferee Company shall always be deemed a party to all such Agreements and be allowed to operate in the name and style of the Transferor Company. It is hereby clarified that all rates, fees, profit sharing, etc. paid by the Transferor Company till the Effective Date shall be considered paid by or for the Transferee Company and shall be considered part of total sum payable under such Agreement and the Transferee Company shall not be called upon or required to pay the same again.
- (ii) 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, execute deeds (including deeds of adherence),



confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of Part II of this Scheme, be deemed to be authorised to execute any such writings as a successor of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

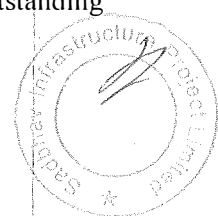
- (iii) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon this Scheme becoming effective and with effect from the Appointed Date and subject to Applicable Law, all consents, permissions, clearances, approvals, quotas, entitlements, subsidies, grants, authorities, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), powers of attorney and certificates of every kind and description of whatsoever nature given by, issued to or executed in favour of the Transferor Company and which are subsisting or having effect on the Effective Date and any application made thereof, 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 and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company has been a party or beneficiary or obligor thereto and the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall file certified copies of the order(s) of the NCLT sanctioning this Scheme and if required, file appropriate forms or applications with the relevant Governmental Authorities for statistical and information purposes only and such Governmental Authorities or third parties shall make and duly record the necessary substitution or endorsement in the name of the Transferee Company as successor without any break in the validity and enforceability of such approvals, consents, etc. However, till the time such substitution/endorsement is actually effected, the Transferee Company is authorised and shall always be deemed to have been authorised to carry on the business in the name and style of the Transferor Company. It is hereby clarified that all rates, fees, etc. paid by the Transferor Company till the Effective Date shall be deemed to

have been paid by or for the Transferee Company and shall be considered part of total sum payable in relation to such license, etc., and the Transferee Company shall not be called upon or required to pay the same again.

- (iv) Benefits of any and all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise under the Act read with the rules and regulations made thereunder, shall stand vested in the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Transferee Company.
- (v) The Transferee Company shall be entitled to the benefit of all insurance policies which have been issued in respect of the Transferor Company and the name of the Transferee Company shall be substituted as "Insured" in the policies as if the Transferee Company was initially a party thereto.
- (vi) Without prejudice to the provisions of Clauses 19 to 26, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company, which are subsisting or having effect on the Effective Date, shall be considered as intra-party transactions for all purposes. Any taxes (including tax deducted at source) paid in relation to such transaction shall, to the extent permissible by Applicable Law, be claimed as a refund. Further, all transactions between the Transferor Company and the Transferee Company, if any, that have not been completed, shall stand cancelled.

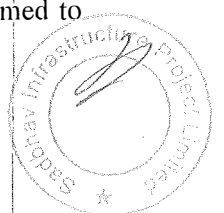
22. TRANSFER/VESTING OF LIABILITIES

- (i) With effect from the Appointed Date, all debts, liabilities, bonds, debentures, contingent liabilities, loans raised and used, duties and obligations, whether secured or unsecured, whether in Indian rupees or foreign currency, whether or not recorded in the books and records of the Transferor Company shall, 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 and stand transferred to and vested in and be deemed to be transferred to and vested in the Transferee Company to the extent that they are outstanding



on the Appointed Date so as to become as and from the Appointed Date, the debts, liabilities, loans, bonds, debentures, obligations and duties of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company and the Transferee Company shall meet, discharge and satisfy the same. Where any of the liabilities of the Transferor Company as on the Appointed Date deemed to be transferred to the Transferee Company, have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of and for the benefit of the Transferee Company. If the debt securities are listed on any stock exchange, the same shall, subject to Applicable Laws, be listed and / or admitted to trading on the relevant stock exchanges in India where the debt securities were listed and / or admitted to trading, on the same terms and conditions, unless otherwise modified in accordance with Applicable Law. Further, if and to the extent, there are loans, deposits or balances or other outstanding inter-se between the Transferor Company and the Transferee Company, the obligations in respect thereof shall, on and from the Appointed Date, come to an end and suitable effect shall be given in the books of the Transferee Company. For removal of doubts, it is hereby clarified that there would be no accrual or interest or other charges in respect of any such loans, deposits or balances inter-se between the Transferor Company and the Transferee Company, with effect from the Appointed Date.

- (ii) All Encumbrances, if any, over the assets of the Transferor Company shall, with effect from the Appointed 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 no such Encumbrances shall extend over or apply to any other asset(s) of the Transferee Company. Any reference in any security document or arrangement (to which the Transferor Company is a party) related to any asset of the Transferor Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend to any other asset(s) of the Transferee Company. Similarly, the Transferee Company shall not be required to create any additional security over assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of/to be availed of by it, and the Encumbrances in respect of such indebtedness of the Transferee Company shall not extend or be deemed to



extend or apply to the assets so vested.

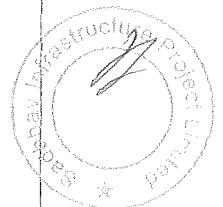
- (iii) Without prejudice to the provisions of the foregoing Clauses, the Transferee Company shall execute any instrument(s) and/or document(s) and/or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the jurisdictional registrar of companies to give formal effect to the above provisions, if required.
- (iv) It is hereby clarified that, unless expressly provided for, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts and liabilities, have arisen, in order to give effect to the provisions of this Clause 22.
- (v) Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, the provisions of this Clause 22 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

23. TRANSFER/VESTING OF INTELLECTUAL PROPERTY

All registrations, goodwill, licenses, trademarks, service marks, copyrights, domain names, application for copyrights, trade names and trademarks and other intellectual property rights, appertaining to the Transferor Company, if any, shall stand vested in the Transferee Company, without any further act, instrument or deed.

24. LEGAL, TAXATION AND OTHER PROCEEDINGS

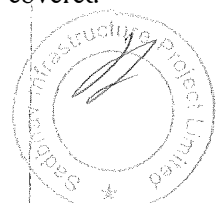
- (i) Any legal, taxation or other proceedings of whatever nature pending before any statutory or quasi-judicial authority or tribunal or courts or any other forum, by or against the Transferor Company, under any statute, pending on the Effective Date, shall be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted by or against, as the case may be, the Transferee Company.



- (ii) After the Appointed Date and until the Effective Date, the Transferor Company shall defend all legal proceedings, other than in ordinary course of business, with the advice and instructions of the Transferee Company.
- (iii) The Transferee Company shall have all legal, taxation or other proceedings initiated by or against the Transferor Company referred to in Clause 24(i) above transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against the Transferee Company, as a successor of the Transferor Company.

25. **EMPLOYEES**

- (i) Upon this Scheme becoming effective, all Transferor Company Employees shall be deemed to have become employees of the Transferee Company with effect from the Appointed Date or their respective joining date, whichever is later, without any break in their service and on the basis of continuity of service and, on terms and conditions no less favourable than those on which they are engaged by the Transferor Company on the Effective Date and without any interruption of service as a result of the Amalgamation. For the purpose of payment of any compensation, gratuity and other terminal benefits, the uninterrupted past services of such Transferor Company Employees with the Transferor Company shall also be taken into account, and paid (as and when payable) by the Transferee Company.
- (ii) In so far as the Employee Benefit Funds created by the Transferor Company or in respect of which the Transferor Company makes contributions, for the Transferor Company Employees, all amounts standing to the credit of the Transferor Company Employees in such Employee Benefit Funds and investments made by such Employee Benefit Funds shall be transferred to such Employee Benefit Funds nominated by the Transferee Company and/or such new Employee Benefit Funds to be established and caused to be recognized by appropriate Governmental Authorities, by the Transferee Company.
- (iii) In relation to those Transferor Company Employees who are not covered



under the provident fund trust of the Transferor Company or who do not enjoy the benefit of any other provident fund trust, and for whom the Transferor Company is making contributions to the government provident fund, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such employees, such that all the rights, duties, powers and obligations of the Transferor Company in relation to such provident fund trust shall become those of the Transferee Company.

- (iv) Pending the transfer as aforesaid, the Employee Benefit Fund dues of the Transferor Company Employees would be continued to be deposited in the existing Employee Benefit Funds of the Transferor Company. It is clarified that upon transfer of the aforesaid funds to the respective funds of the Transferee Company, the existing trusts created for such funds by the Transferor Company shall stand dissolved.
- (v) Notwithstanding the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Law, shall be entitled to:
 - (a) retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company; or
 - (b) merge the pre-existing funds of the Transferor Company with other similar funds of the Transferee Company.

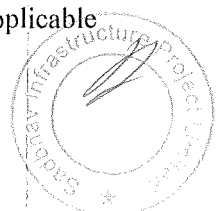
26. TREATMENT OF TAXES

- (i) Upon this Scheme becoming effective and with effect from the Appointed Date:
 - (a) To the extent required, the Transferor Company and the Transferee Company shall be permitted to revise (even if the prescribed time limits for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum) and file their respective income Tax returns, withholding Tax returns (including Tax deducted at source certificates), sales Tax, value added Tax, service



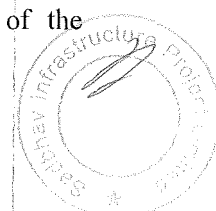
Tax, central sales Tax, entry Tax, goods and services Tax returns and any other Tax returns: and

- (b) The Transferee Company shall be entitled to: (A) claim deduction with respect to items such as provisions, expenses, etc. disallowed in earlier years in the hands of the Transferor Company, which may be allowable in accordance with the provisions of the IT Act on or after the Appointed Date, (B) claim deduction with respect to bad debts, on such income which has become receivable in the hands of the Transferor Company but has not yet been received, which may be allowable in accordance with the provisions of the IT Act on or after the Appointed Date, (C) claim deduction with respect to excluded items such as provisions, reversals, etc. for which no deduction or tax benefit has been claimed by the Transferor Company prior to the Appointed Date, (d) claim all tax incentives including benefit of any tax holidays which the Transferor Company was entitled to in terms of the applicable Tax laws, and accordingly all such benefits shall be available to and vest in the Transferee Company from the Effective Date and (e) claim deduction of the cost of acquisition of shares, bonds, securities or any assets of the Transferor Company as increased by the cost of any improvement of the assets incurred or borne by the Transferor Company.
- (ii) Upon this Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, unabsorbed Tax depreciation, minimum alternate Tax credit, if any, of the Transferor Company as on the Appointed Date, shall, for all purposes, be treated as unabsorbed Tax depreciation, minimum alternate Tax credit of the Transferee Company. It is further clarified that any unabsorbed depreciation of the Transferor Company as specified in their respective books of accounts shall be included as unabsorbed depreciation of the Transferee Company for the purposes of computation of minimum alternate Tax.
- (iii) Upon this Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall be entitled to claim refunds (including refunds or claims pending with the Tax authorities) or credits, with respect to Taxes paid by, for, or on behalf of, the Transferor Company under Applicable



Law (including Tax laws).

- (iv) Upon this Scheme becoming effective and with effect from the Appointed Date, all Taxes, cess, duties and liabilities (direct and indirect), payable by or on behalf of the Transferor Company, shall, for all purposes, be treated as Taxes, cess, duties and liabilities, as the case may be, payable by the Transferee Company.
- (v) Upon this Scheme becoming effective and with effect from the Appointed Date, all unavailed credits and exemptions and other statutory benefits, including in respect of income Tax, CENVAT, customs, value added Tax, sales Tax, service tax, entry Tax and goods and service Tax to which the Transferor Company is entitled shall be available to and vest in the Transferee Company, without any further act or deed.
- (vi) Any Tax liability under the IT Act, or any other applicable Tax laws or regulations allocable to the Transferor Company whether or not provided for or covered by any Tax provisions in the accounts of the Transferor Company made as on the date immediately preceding the Effective Date, shall be transferred to the Transferee Company. Any surplus in the provision for Taxation or duties or levies in the accounts of the Transferor Company, including advance Tax and tax deducted or collected at source by customers/vendors/ banks/ and receivable by the said companies whether or not reflected in Form 26AS on NSDL Income Tax Website as well as those evidenced by a valid TDS certificate or otherwise available as per law and other Tax credits including advance Tax and registrations of whatsoever nature as on the close of business in India on the date immediately preceding the Effective Date, will also be transferred to the account of the Transferee Company.
- (vii) All Tax assessment proceedings and appeals of whatsoever nature by or against the Transferor Company, pending or arising as at the Effective Date, shall be continued and/or 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 Company. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the



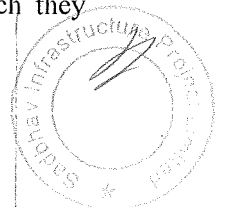
Transferor Company into and with the Transferee Company or anything contained in this Scheme.

- (viii) Any refund under the IT Act or any other Tax laws related to or due to the Transferor Company, including those for which no credit is taken as on the date immediately preceding the Effective Date, shall also belong to and be received by the Transferee Company.
- (ix) Without prejudice to the generality of the above, all benefits, incentives, claims, losses, credits (including income Tax, service Tax, excise duty, goods and service Tax and applicable state value added Tax) to which the Transferor Company is entitled to in terms of applicable Tax laws, shall be available to and vest in the Transferee Company from the Effective Date.
- (x) All the expenses incurred by the Transferor Company and the Transferee Company in relation to the amalgamation of the Transferor Company into and with the Transferee Company in accordance with this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Transferee Company in accordance with section 35DD of the IT Act over a period of five (5) years beginning with the financial year in which this Scheme becomes effective.

27. ACCOUNTING TREATMENT

On the Scheme becoming effective, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of accounts in accordance with 'Pooling of Interest Method' of accounting as laid down in Appendix-C of IND-AS 103 (Business Combinations of entities under common control) as under:

- (i) All the assets, and liabilities in the books of the Transferor Company shall be recorded by the Transferee Company in its books of accounts at their respective carrying amounts as appearing in the books the Transferor Company. No adjustment shall be made to reflect fair values, or recognize any new assets of liabilities.
- (ii) The identity of reserves shall be preserved and shall appear in the financial statements of the Transferee Company, in the same form, in which they

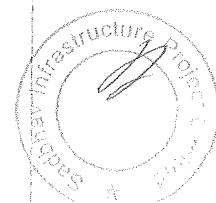


appeared in the financial statements of the Transferor Company.

- (iii) The carrying amount of investments in the equity shares of the Transferor Company to the extent held by the Transferee Company, shall stand cancelled.
 - (iv) The surplus / deficit, if any, of the net value of assets, liabilities and reserves of the Transferor Company acquired and recorded by the Transferee Company in terms of Clause 27 (i) over the sum of (a) the face value of the new shares issued and allotted pursuant to Clause 34(i); and (b) the value of investments cancelled pursuant to Clause 27 (iii) shall be adjusted in "Capital Reserve Account" in the financial statements of the Transferee Company.
 - (v) The equity shares held by the Transferee Company in the Transferor Company shall stand cancelled. Further, inter-company transactions and balances including loans, advances, amount receivable or payable inter-se between the Transferor Company and Transferee Company as appearing in their books of accounts, if any, shall stand cancelled.
 - (vi) In case of any differences in accounting policy between Transferor Company and Transferee Company the accounting policies followed by Transferee will prevail and difference till the Appointed Date shall be adjusted in Capital Reserves of Transferee Company, to ensure that the financial statements of Transferee Company reflect the financial position on the basis of consistent accounting policy.
28. For avoidance of doubt and without prejudice to the generality of the applicable provisions of this Scheme, it is clarified that, with effect from the Effective Date and till such time that the name of the bank accounts of the Transferor Company is replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. The Transferee Company shall be allowed to maintain bank accounts in the name of the Transferor Company for such

time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company. It is hereby expressly clarified that any legal proceedings by or against the Transferor Company in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company shall be instituted, or as the case may be, continued by or against the Transferee Company after coming into effect of this Scheme.

29. The Transferee Company shall, at any time after this Scheme becomes effective, in accordance with the provisions hereof, be entitled to get the recordal of the change in the legal right(s) upon the Amalgamation, in accordance with the provisions of Sections 230 to 232 of the Act and if so required under any law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which the Transferor Company has been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Transferee Company shall for this purpose, under the provisions hereof, be deemed to have been authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.
30. The provisions of this Scheme as they relate to amalgamation of the Transferor Company into and with the Transferee Company, have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(1B) of the IT Act. If any term or provision of this Scheme is found or interpreted to be inconsistent with the provisions of the said Section of the IT Act at a later date including, resulting from an amendment of the law or for any other reason, the provisions of the said Section of the IT Act shall prevail and this Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the IT Act, or any amendment or enactment thereof. Such modification will however, not affect the other parts of this Scheme.
31. On the approval of this Scheme by the shareholders and creditors (where applicable) of the Transferor Company and the Transferee Company, such shareholders and creditors, to the extent required under Applicable Law, shall also be deemed to have resolved and accorded all relevant consents under the Act or other Applicable Law or



otherwise, to the same extent applicable in relation to the amalgamation set out in this Scheme, related matters and this Scheme itself.

32. **CONDUCT OF BUSINESS UPTO THE EFFECTIVE DATE**

With effect from the Appointed Date and upto and including the Effective Date, the Transferor Company shall carry on the business with reasonable diligence and business prudence in the ordinary course consistent with past practice in good faith and in accordance with Applicable Law.

33. **SAVING OF CONCLUDED TRANSACTIONS**

Subject to Clause 26 above, the transfer of assets and liabilities to, and the continuance of proceedings by or against, the Transferee Company as envisaged in this Scheme shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Appointed Date till the Effective Date (subject to the terms of any agreement with the Transferee Company) to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

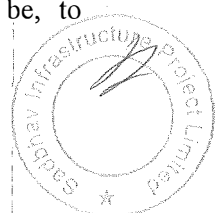
34. **ISSUE OF TRANSFeree COMPANY SHARES FOR AMALGAMATION**

- (i) Upon coming into effect of this Scheme and in consideration of the Amalgamation, including the transfer and vesting of the Undertaking in the Transferee Company, pursuant to this Scheme, the Transferee Company shall, without any further application or deed, as soon as possible after the Record Date, issue and allot the Transferee Company Shares to the Eligible Members, or their respective heirs, executors, administrators or other legal representatives or the successors-in-title, as the case may be, such that 1 (one) Transferee Company Shares, shall be credited as fully paid-up, for every 3 (three) Transferor Company Shares, held by each Eligible Member (the “Share Exchange Ratio”).
- (ii) If any Eligible Member becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of equity shares by the Transferee Company in accordance with this Scheme, the Board of the Transferee Company shall consolidate all such fractional entitlements and



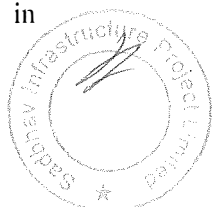
shall, without any further application, act, instrument or deed, issue and allot such consolidated equity shares directly to an individual trust or a board of trustees or a corporate trustee or a SEBI registered merchant banker nominated by the Transferee Company (the “Trustee”), who shall hold such equity shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such equity shares in the market at such price or prices and on such time or times within 60 (sixty) days from the date of allotment, as the Trustee may in its sole discretion decide and on such sale, pay to the Transferee Company, the net sale proceeds (after deduction of applicable Taxes and costs incurred) thereof and any additions and accretions, whereupon the Transferee Company shall, subject to withholding Tax, if any, distribute such sale proceeds to the concerned Eligible Member in proportion to their respective fractional entitlements.

- (iii) In the event of there being any pending share transfers, whether lodged or outstanding, of any member of the Transferor Company, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the shares in the Transferor Company and in relation to the shares issued by the Transferee Company, after the effectiveness of this Scheme. The Board 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 shareholders in the Transferee Company on account of difficulties faced in the transaction period.
- (iv) The issue and allotment of the Transferee Company Shares by the Transferee Company to Eligible Members as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out as if the procedure laid down under Section 62 read with Section 42 of the Act and any other applicable provisions of the Act were duly complied with.
- (v) Where Transferee Company Shares are to be allotted to heirs, executors or administrators, other legal representatives, or as the case may be, to



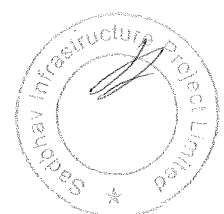
successors of deceased equity shareholders of the Transferor Company, the concerned heirs, executors, administrators, legal representatives or successors shall be obliged to produce evidence of title satisfactory to the Board of the Transferee Company.

- (vi) Promptly upon the issuance of the Transferee Company Shares pursuant to this Clause 34, the Transferee Company shall prepare and file applications, along with all supporting documents, to obtain approval from SEBI and/ or the Stock Exchanges (as may be required), for listing of such Transferee Company Shares. Immediately upon receipt of such approval, the Transferee Company shall take all necessary steps to obtain trading approval for the Transferee Company Shares. The Transferee Company shall ensure that steps for listing of the Transferee Company Shares are completed and trading of the Transferee Company Shares commences within the period prescribed under the SEBI Scheme Circular. The Transferee Company Shares allotted pursuant to this Scheme shall remain frozen in the depositories system till relevant directions in relation to listing/trading are given by the relevant Stock Exchanges.
- (vii) The Transferee Company Shares to be issued and allotted by the Transferee Company in terms of this Scheme shall be subject to the provisions of the memorandum and articles of association of the Transferee Company and shall rank *pari passu* in all respects including dividends and shall have the same rights attached to the then existing equity shares of the Transferee Company.
- (viii) Subject to this Scheme, if any consolidation, stock split, sub division, reorganization, reclassification or other similar action in relation to the share capital of the Transferor Company or the Transferee Company, occurs after the date of approval of this Scheme by the Board of Transferor Company and the Board of Transferee Company, and on or before the Effective Date, the Share Exchange Ratio shall be subject to equitable adjustments by the directors of the relevant company to reflect such corporate action in such a manner as the relevant company's auditors may determine to be appropriate to reflect such corporate action.
- (ix) The Transferee Company Shares shall be issued in dematerialized form to all those Eligible Members who hold the Transferor Company Shares in



dematerialised form, in accordance with the Applicable Laws. All such Eligible Members who hold the Transferor Company Shares in physical form shall also have the option to receive the Transferee Company Shares in the Transferee Company in dematerialised form, provided the details of their account with the depository participant are intimated in writing to the Transferor Company and / or its registrar failing which, the Transferor Company Shares shall be issued to them in physical form. Such physical share certificates, if any, shall be sent by the Transferor Company to the such Eligible Members at their respective registered addresses, as appearing in the register of members maintained by the Transferor Company as of the Record Date (and in case of joint holders, to the address of that joint holder whose name appears first in such register of member in respect of such joint shareholding), and the Transferee Company shall not be responsible for any loss in transit.

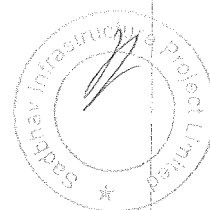
- (x) The Transferee Company Shares to be issued by the Transferee Company in respect of the Transferor Company Shares, the allotment or transfer of which is held in abeyance under Applicable Law shall, pending allotment or settlement of dispute by order of the appropriate court or otherwise, also be kept in abeyance in like manner by the Transferee Company.
- (xi) Upon this Scheme becoming effective and upon issuance of the Transferee Company Shares to Eligible Members holding the Transferor Company Shares, the Transferor Company Shares shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date.
- (xii) The Transferee Company Shares issued pursuant to this Scheme have not been, and will not be registered under the United States Securities Act of 1933 (the “**Securities Act**”) in reliance upon the exemption from the registration requirements under the Securities Act provided by Section 3(a)(10) of the Securities Act (the “**Section 3(a)(10) Exemption**”). The sanction of the NCLT to this Scheme will be relied upon for the purpose of qualifying the issuance and distribution of the Transferee Company Shares issued pursuant to this Scheme for the Section 3(a)(10) Exemption, if applicable. Further, for purposes of ensuring that this Scheme complies with the requirements of Section 3(a)(10) Exemption, each of the Transferor Company and the



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Transferee Company undertake that:

- (a) Eligible Members, as against their equity shares in the Transferor Company, shall receive the equity shares of the Transferee Company and shall not receive cash or other consideration; and
- (b) this Scheme shall become effective only after it has been approved by the NCLT following the hearings by the NCLT.



PART III

CHANGES TO THE SHARE CAPITAL OF THE TRANSFEROR COMPANY AND THE TRANSFEREE COMPANY

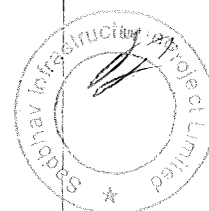
35. CONSOLIDATION OF THE AUTHORISED SHARE CAPITAL OF THE TRANSFEROR COMPANY WITH THE AUTHORISED CAPITAL OF THE TRANSFEREE COMPANY

Upon this Scheme becoming effective and pursuant to the reclassification/reorganization of the resultant authorized share capital of the Transferor Company as set out in this Scheme but prior to the issuance and allotment of the Transferee Company Shares under Clause 34 above, the authorized share capital of the Transferor Company, shall stand consolidated and vested in and be merged with the authorised share capital of the Transferee Company, without any requirement of a further act or deed on the part of the Transferee Company (including payment of stamp duty and/or fees payable to the relevant registrar of companies), such that upon the effectiveness of this Scheme, the authorised share capital of the Transferee Company shall be INR 423,00,00,000 (Indian Rupees Four Hundred Twenty Three Crores) comprising of 423,00,00,000 equity shares of INR 1/- each, without any further act, deed, resolution or writing.

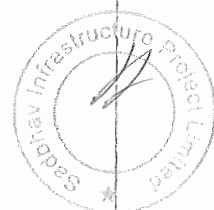
36. AMENDMENT OF THE MEMORANDUM OF ASSOCIATION OF THE TRANSFEREE COMPANY

- (i) With effect from the Appointed Date and upon this Scheme becoming Effective, pursuant to the consolidation and increase of authorised capital pursuant to Clause 35 above, the memorandum of association and articles of association of the Transferee Company (relating to the authorized share capital) shall, without any requirement of a further act, instrument or deed, be and stand altered, modified and amended, such that Clause V of the memorandum of association shall be replaced by the following:

“The Authorised Share Capital of the Company is Rs. 423,00,00,000 (Rupees Four Hundred Twenty Three Crores only) divided into 423,00,00,000 Equity Shares of Re. 1/- (Rupee One only) each. ”



- (ii) It is clarified that this Scheme as proposed, and upon sanction by the NCLT, shall constitute a single window clearance, and shall be deemed to be sufficient for the enhancement and increase of the authorised share capital of the Transferee Company and for effecting the aforementioned amendments, pursuant to Clauses 35 and 36, and no further resolution(s) subsequent to the sanction of this Scheme (whether under Sections 4, 13, 14 and 61 and/or any other applicable provisions of the Act), would be required to be separately passed.
- (iii) In accordance with Section 232(3)(i) of the Act and other Applicable Law, the stamp duties and/ or fees (including registration fee) paid on the authorised share capital of the Transferor Company shall be utilized and applied to the increased authorised share capital of the Transferee Company pursuant to Clause 35 above and no stamp duties and/or fees would be payable for the increase in the authorised share capital of the Transferee Company, to the extent of the authorised share capital of the Transferor Company.
- (iv) Upon this Scheme becoming effective, the issued, subscribed and paid-up share capital of the Transferee Company shall stand suitably increased consequent upon the issuance of new equity shares in accordance with this Scheme. It is clarified that no special resolution(s) under Sections 62 or 42 of the Act shall be required to be passed by the Transferee Company separately in a general meeting for issue of Transferee Company Shares to the members of the Transferor Company under this Scheme and for the members of the Transferee Company approving this Scheme, it shall be deemed that they have given their consent to the issue of the Transferee Company Shares to the members of the Transferor Company in terms of, and in accordance with, this Scheme.



PART IV

GENERAL TERMS AND CONDITIONS

The provisions of this Part shall be applicable to Part II and Part III of this Scheme.

37. DISSOLUTION AND VALIDITY OF RESOLUTIONS

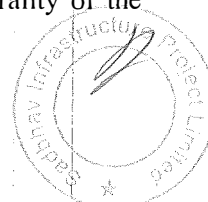
- (i) Upon the coming into effect of this Scheme, the Transferor Company shall stand dissolved without winding up, and the Board of the Transferor Company and any committees thereof shall stand discharged. The name of the Transferor Company shall be struck off from the records of the Registrar of Companies, Ahmedabad and the Transferee Company shall make the necessary filings in this regard.
- (ii) Upon the coming into effect of this Scheme, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting on be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory 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.

38. APPLICATION TO NCLT

The Transferor Company and the Transferee Company shall make necessary applications before the NCLT for the sanction of this Scheme under Sections 230, 232 and other applicable provisions of the Act.

39. MODIFICATIONS, AMENDMENTS TO OR WITHDRAWAL OF THE SCHEME

- (i) On behalf of the Transferor Company and the Transferee Company, the board of directors of the respective companies may consent jointly but not individually, on behalf of all persons concerned, to any modification or amendment to this Scheme and without prejudice to the generality of the

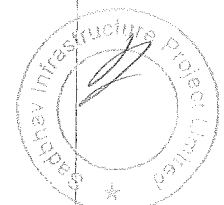


foregoing, any modification to this Scheme involving withdrawal of any of the parties to this Scheme at any time and for any reason whatsoever, or to any conditions or limitations that the NCLT or any other authority may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate by the board of directors of the Transferor Company and the Transferee Company, and solve all difficulties that may arise from carrying out this Scheme and do all acts, deeds and things necessary for putting this Scheme into effect.

- (ii) For the purposes of giving effect to this Scheme or to any modification thereof, the board of directors of the Transferor Company and the Transferee Company may jointly but not individually, give and are jointly authorised to give, such directions including, directions for settling any question of doubt or difficulty that may arise, and such determination of the directors, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.
- (iii) The Transferor Company and the Transferee Company (by their respective board of directors, or such other person(s) as the respective board of directors may authorise) shall be at the liberty to withdraw this Scheme, in entirety, in case any condition or alteration imposed by any authority is unacceptable to them, or as may otherwise be deemed expedient or necessary.
- (iv) In the event of revocation/withdrawal of this Scheme, no rights and liabilities whatsoever, shall accrue to or be incurred inter-se the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person, save and except in respect of any act or deed done prior thereto, as is contemplated hereunder, or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided for in this Scheme or in accordance with Applicable law and as agreed between the Parties

40. **CONDITIONALITY OF THE SCHEME**

The coming into effect of this Scheme is conditional upon and subject to:

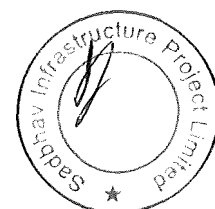


- (i) the Stock Exchanges having issued their observation/ no-objection letters as required under the SEBI Listing Regulations read with the SEBI Scheme Circular, on terms acceptable to the Transferor Company and the Transferee Company;
- (ii) this Scheme being approved by the respective requisite majorities of the creditors (where applicable) of the Transferor Company and the Transferee Company, as required under the Act and the SEBI Scheme Circular, subject to any dispensation that may be granted by the NCLT;
- (iii) The Scheme being approved by majority of the public shareholders of the Transferor Company and the Transferee Company through postal ballot and e-voting as required under SEBI Scheme Circular and the Scheme shall be acted upon only if vote cast by public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.
- (iv) sanctions and orders under the provisions of Sections 230 to 232 of the Act being obtained from the bench of the NCLT at Ahmedabad, Gujarat;
- (v) the certified copies of the orders of the NCLT approving this Scheme having been filed with the registrar of companies in Ahmedabad, Gujarat; and
- (vi) there not being any Governmental Order from any Governmental Authority (other than a competition and/or anti-trust authority) that has the effect of making the Amalgamation illegal or otherwise restraining or preventing its consummation.

41. **EFFECT ON NON-RECEIPT OF APPROVALS/ SANCTIONS**

This Scheme shall not come into effect unless the aforementioned conditions mentioned in Clause 40 of Part IV above are satisfied and in such an event, unless each of the conditions are satisfied, no rights and liabilities whatsoever shall accrue to or be incurred inter-se the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person.

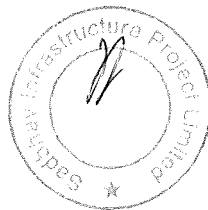
42. **SEVERABILITY**



If any provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to mutual agreement of the Transferor Company and the Transferee Company in writing, affect the validity or implementation of the other provisions of this Scheme. If any provision of this Scheme hereof is invalid, ruled illegal by any court or tribunal of competent jurisdiction or unenforceable under present or future Applicable Laws, then it is the intention of the Transferor Company and the Transferee Company that such provision shall be severable from the remainder of this Scheme, and this Scheme shall not be affected thereby, unless the deletion of such provision shall cause this Scheme to become materially adverse to either the Transferor Company and/ or the Transferee Company, in which case the Transferor Company and the Transferee Company shall attempt to bring about a modification in this Scheme in accordance with the provisions of this Scheme, as will best preserve for the Transferor Company and the Transferee Company, the benefits and obligations of this Scheme, including but not limited to, such provision.

43. COSTS

- (i) All costs, charges, duties, levies and other expenses, if any, in relation to or arising out of or in connection with or incidental to this Scheme, including without limitation, costs and expenses associated with retention of financial, legal, Tax and other professional advisers, shall be borne by the Transferee Company.
- (ii) Without prejudice to the generality of the foregoing, all stamp, transfer, registration, and other similar Taxes, duties, charges and fees (including in relation to the registration and the stamping of the sanction orders) payable or assessed in connection with this Scheme, the issuance of Transferee Company Shares and the transfers contemplated by this Scheme shall be borne by Transferee Company.



Certified True Copy

For Sadbhav infrastructure Project Ltd.

Company Secretary