

SCHEME OF ARRANGEMENT

AMONGST

GMR TUNI-ANAKAPALLI EXPRESSWAYS LIMITED

(TRANSFEROR COMPANY - 1)

AND

GMR TAMBARAM TINDIVANAM EXPRESSWAYS LIMITED

(TRANSFEROR COMPANY - 2)

AND

GMR HIGHWAYS LIMITED

(TRANSFeree COMPANY)

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTION 230 to 232 OF THE COMPANIES ACT, 2013

PREAMBLE

- a. The Scheme of Arrangement (“the Scheme”) provides for amalgamation of **GMR TUNI-ANAKAPALLI EXPRESSWAYS LIMITED** (hereinafter referred to “the “**GTA**” or Transferor Company-1”) and **GMR TAMBARAM TINDIVANAM EXPRESSWAYS LIMITED** (hereinafter referred to “the “**GTT**” or Transferor Company -2”) with

GMR HIGHWAYS LIMITED (hereinafter referred to as “GHL” or “Transferee Company”) pursuant to Section 230 to 232 of the Companies Act, 2013 read with applicable Rules of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

- b. **TRANSFEROR COMPANY - 1** was incorporated as **GMR TUNI-ANAKAPALLI EXPRESSWAYS PRIVATE LIMITED** on 27th August 2001 as a Private Company limited by shares under the provisions of the Companies Act, 1956. The Company was converted into Public Company with effect from 28th March 2014.

The Registered Office of GTA, on incorporation was situated at 6-3-866/868, Opp to Greenland's Guest House, Greenlands, Begumpet, Hyderabad-500016 which was shifted vide Order of Chennai, Southern Region dated 19th February 2009 which was registered with ROC, Karnataka on 11th March 2009 to 25/1, Skip House, Museum Road, Bangalore – 560025 which, later on, shifted to Naman Centre 7th Floor, Opp. Dena Bank, Plot No. C-31, G Block, Bandra Kurla Complex, Bandra (East) Mumbai, Maharashtra– 400051, India, vide Order of Regional Director, SER, Hyderabad dated 27th February 2020 which was registered with ROC, Mumbai on 14th May 2020.

The present CIN of GTA is U45203MH2001PLC339776.

The Transferor Company –1 is engaged in development of highways on build, operate and transfer model on annuity basis.

The Transferor Company -1 is a subsidiary of the Transferee Company. On the Appointed Date and on the date of approval of the Scheme, Transferee Company holds 730,000 (Seven Lakhs Thirty Thousand) equity shares of INR 10/- each

comprising of 73% of the paid-up equity share capital of the Transferor Company
1.

- c. **TRANSFEROR COMPANY –2** was incorporated as **GMR TAMBARAM TINDIVANAM EXPRESSWAYS PRIVATE LIMITED** on 27th August 2001 as a Private Company limited by Shares under the provisions of the Companies Act, 1956. The Company was converted into Public Company with effect from 21st March 2014.

The Registered Office of GTT, on incorporation was situated at 6-3-866/868, Opp to Greenland's Guest House, Greenlands, Begumpet, Hyderabad-500016 which was shifted vide Order of Chennai, Southern Region dated 19th February 2009 which was registered with ROC, Karnataka on 11th March 2009 to 25/1, Skip House, Museum Road, Bangalore – 560025 which, later on, shifted to Naman Centre 7th Floor, Opp. Dena Bank, Plot No. C-31, G Block, Bandra Kurla Complex, Bandra (East) Mumbai, Maharashtra - 400051, India, vide Order of Regional Director, SER, Hyderabad dated 4th March 2020 which was registered with ROC, Mumbai on 11th April 2020.

The present CIN of GTT is U45203MH2001PLC339335.

The Transferor Company - 2 is engaged in development of highways on build, operate and transfer model on annuity basis.

The Transferor Company -2 is a subsidiary of the Transferee Company. On the Appointed Date and on the date of approval of the Scheme, Transferee Company holds 7,30,000 (Seven Lakh Thirty Thousand) equity shares of INR 10/- each comprising of 73% of the paid-up equity share capital of the Transferor Company
-2.

- d. **TRANSFEE COMPANY** was originally incorporated as GMR HIGHWAYS PRIVATE LIMITED on 3rd February 2006 bearing CIN: U45203KA2006PTC038379 as a Private Company limited by shares under Companies Act, 1956.

The status of Transferee Company was changed from Private Limited to Public Limited by way of conversion from GMR HIGHWAYS PRIVATE LIMITED to GMR HIGHWAYS LIMITED with the approval of Central Government vide fresh certificate of incorporation consequent upon change of name on conversion to public limited company issued by Registrar of Companies, Karnataka on 24th March, 2010.

The Registered Office of the Transferee Company, on incorporation was situated at 25/1, Skip House, Museum Road, Bangalore – 560025 which, later on, shifted to Naman Centre 7th Floor, Opp. Dena Bank, Plot No. C-3, G Block, Bandra Kurla Complex, Bandra (East) Mumbai, Maharashtra– 400051, India, vide Order of Regional Director, SER, Hyderabad dated 28th April 2016 which was registered with ROC, Mumbai on 26th October 2016.

The present CIN of the Transferee Company is U45203MH2006PLC287171.

The Company carries on business of infrastructure development viz; undertaking construction and development projects of Roads/ Highways and also provides repairs, maintenance and tolling related services to its subsidiaries/associate companies and otherwise also.

The Company is the holding company of GMR Tuni-Anakapalli Expressways Limited (Transferor Company -1) and GMR Tambaram Tindivanam Expressways Limited (Transferor Company -2).

- e. It is proposed to amalgamate GMR Tuni-Anakapalli Expressways Limited and GMR Tambaram Tindivanam Expressways Limited with GMR Highways Limited pursuant to a Scheme under Section 230 to 232 read with applicable Rules of Companies (Compromises, Arrangements and Amalgamations), Rules 2016 and other relevant provisions of the Act (*defined hereafter*) (Transferor Company – 1 and Transferor Company – 2 are hereinafter collectively referred to as the Transferor Companies).

- f. The Transferor Companies are subsidiaries of the Transferee Company wherein Transferee Company holds 73% shares in each of the Transferor Companies and remaining shares being held by another group company namely GMR Generation Assets Limited (formerly the shares were held by GMR Power Corporation Limited which was merged with GMR Generation Assets Limited w.e.f. 3rd April, 2020). Further, the Transferor Companies are engaged in the development of highways on build, operate and transfer model on annuity basis while the Transferee Company provides repairs, maintenance and tolling related services to its subsidiaries/associate companies and otherwise also, thus this Scheme envisages vertical integration of Companies engaged in similar business profile resulting into consolidation of businesses, simplification of structure (including shareholding structure) thereby strengthening the financial position of Transferee Company and its operational optimisation. It is intended that Transferee Company shall have sharper focus on underlying businesses with an aim of achieving operational efficiencies, stronger financials and growth prospects for the people and organization connected therewith. Accordingly, consolidation of businesses of the said companies would be in their best interests as well as their respective

shareholders and other stakeholders. The proposed amalgamation envisaged under this Scheme are in line with the current global industry practice to achieve size, scalability, integration, greater financial strength and flexibility thereby maximizing shareholder value and to achieve higher long-term financial returns.

The other benefits likely to arise through the proposed arrangement are as follows:

- I. enable the Transferee Company to consolidate its business operations and provide significant impetus to its growth;
- II. result in reduction in overheads, administrative, managerial and other expenditures and will enhance operational efficiency and optimal utilization of various resources;
- III. be conducive to better and more efficient and economical control and conduct of the business;
- IV. enable elimination of duplication of administrative functions and the multiple records keeping resulting in reduced expenditure;
- V. result in significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Companies and Transferee Company;
- VI. Obtaining synergy benefits;

There is no adverse effect of Scheme on the directors, key management personnel, shareholders, creditors and employees of Transferor Companies and Transferee Company. However, the Board of the Transferor Companies upon amalgamation shall stand dissolved. The Scheme would be in the best interest of all stakeholders.

Due to the aforesaid rationale, it is considered desirable and expedient to enter into this Scheme for amalgamation of Transferor Companies with the Transferee Company, and in consideration thereof issue equity shares of the Transferee Company to the shareholders of Transferor Companies in accordance with this Scheme.

Accordingly, the Board of Directors of Transferor Companies and Transferee Company have decided to make requisite applications and/or petitions before the Tribunal (hereinafter defined) as the case may be, as applicable under Sections 230 to 232 of the Act (hereinafter defined) and other applicable provisions for the sanction of this Scheme.

g. Treatment of Scheme for the purposes of Income-Tax Act, 1961

The provisions of this Scheme have been drawn up to comply with the conditions relating to “Amalgamation” as defined under section 2(1B) of the Income-tax Act, 1961 (“IT Act”). If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at a later date, including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said provision of the IT Act shall prevail, and the Scheme shall stand modified to the extent determined necessary to comply with the provision of section 2(1B) of the IT Act. Such modification(s), will, however, not affect the other provisions of the Scheme.

h. **THE SCHEME OF ARRANGEMENT IS DIVIDED INTO THE FOLLOWING PARTS:**

Part A - Definitions and Share capital

Part B - Amalgamation of 'GMR Tuni-Anakapalli Expressways Limited' - Transferor Company -1 and 'GMR Tambaram Tindivanam Expressways Limited' - Transferor Company -2 with 'GMR Highways Limited' - Transferee Company.

Part C - General Terms & Conditions

PART A – DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme, unless repugnant to the context, the following expressions shall have the following meaning:

1.1 ***“Act” or “the Act”*** means the Companies Act, 2013 and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force.

1.2 ***“Appointed Date”*** means 01st April, 2019, being the start of the financial year 2019-20 or such other date as may be fixed or approved by the National Company Law Tribunal, Mumbai Bench or/and any other appropriate authority.

1.3 ***“Board of Directors” or “Board”*** shall mean the Board of Directors of the Transferor Companies and the Transferee 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;

1.4 **“Effective Date”** means the latest date on which the certified copies of the confirmation order of the Scheme issued by National Company Law Tribunal, Mumbai Bench are filed with the Registrar of Companies, Mumbai by the Transferor Companies and the Transferee Company;

1.5 **‘National Company Law Tribunal’ or ‘NCLT’ or ‘Tribunal’** means the National Company Law Tribunal, Mumbai Bench;

1.6 **“Record Date”** means the date to be fixed by the Board of Directors of the Transferee Company for the purpose of determining the respective equity shareholders of the Transferor Companies, who shall be entitled to receive equity shares of the Transferee Company as per Clause 5 of this Scheme;

1.7 **“Registrar of Companies” or “RoC”**: means the Registrar of Companies, Mumbai;

1.8 **“Scheme” or “the Scheme” or “Scheme of Arrangement”** means this Scheme of Arrangement, as proposed to be submitted in the present form to National Company Law Tribunal, Mumbai together with any modification(s) approved or imposed or directed by the Registrar of Companies, Mumbai and / or Official Liquidator/or other Authorities, amongst GMR Tuni-Anakapalli Expressways Limited’ (Transferor Company –1) and ‘GMR Tambaram Tindivanam Expressways Limited’ (Transferor Company –2) with GMR Highways Limited (Transferee Company), their respective shareholders and creditors, if any, to be approved or directed by the National Company Law Tribunal, Mumbai with such modification(s), if any.

- 1.9 ***“Transferee Company”*** means GMR Highways Limited, incorporated on 3rd February 2006 bearing CIN: U45203MH2006PLC287171 and having its registered office at Naman Centre, 7th Floor, Opp. Dena Bank, Plot No. C-3, G Block, Bandra Kurla Complex, Bandra (East) Mumbai, Maharashtra – 400 051, India.
- 1.10 ***“Transferor Companies”*** means the collective of GMR Tuni-Anakapalli Expressways Limited and GMR Tambaram Tindivanam Expressways Limited.
- 1.11 ***“Transferor Company – 1”*** means GMR Tuni-Anakapalli Expressways Limited, incorporated on 27th August 2001 and bearing CIN: U45203MH2001PLC339776.
- 1.12 ***“Transferor Company – 2”*** means GMR Tambaram Tindivanam Expressways Limited on 27th August 2001 and bearing CIN: U45203MH2001PLC339335.
- 1.13 ***“Undertaking of the Transferor Companies”*** shall mean and include the whole of assets, properties, accrued income, liabilities, accumulated losses and the undertaking of the Transferor Companies existing as on Appointed Date and specifically include the following (without limitation):
- (i) The whole of the undertaking of the Transferor Companies including all secured and unsecured debts, if any, liabilities, duties and obligations and all the assets, properties, rights, titles and benefits, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed), all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, investments, reserves, provisions, funds, licenses including licenses, registrations, copyrights, patents, trade names,

trademarks and other rights and licenses in respect thereof, applications for copyrights, patents, trade names, trademarks, leases, licenses, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, office equipment, telephones, telexes, facsimile connections, internet connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, receivables, deposits, funds, cash, bank balances, Bank accounts and all other rights, benefits of all agreements, subsidies, grants, Minimum Alternate Tax, tax credits (including but not limited to credits in respect of income tax, GST, sales tax, value added tax, turnover tax, service tax, etc.), Software License, Domain / Websites etc., in connection / relating to the Transferor Companies and other claims and powers of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Companies, existing as on the Appointed Date.

- (ii) All staff, workmen, and employees, if any, of the Transferor Companies in service on the Effective Date.

- (iii) 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 the Transferor Companies existing as on the Appointed Date.

1.14 Any references in the Scheme to “upon the Scheme becoming effective” or “effectiveness of the Scheme” shall mean the Effective Date.

1.15 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Companies Act, 2013, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

2.1. The Scheme, set out herein in its present form or with any modification(s) approved, shall be effective from the latest date on which certified copies of the NCLT order under section 230 to 232 of the Companies Act, 2013 is filed with the RoC. Such date is called as the Effective Date.

2.2. Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.

2.3. That the Appointed Date for the Scheme is kept as April 1, 2019, being the start of the previous financial year 2019-20. That the Appointed Date being more than one year old is due to the disruption in the business affairs of the Companies, being caused by the COVID-19 pandemic in India. That keeping the Appointed Date as April 1, 2019, being the start of the financial year, is in the interest of the Companies and their shareholders and is not prejudicial to the public interest in

any manner. That for the Appointed Date being April 1, 2019, the books of the Transferor Companies with the Transferee Company shall stand merged with ease for the entire financial year 2019-20, and later, in the manner as provided in this Scheme.

3. SHARE CAPITAL

3.1. The authorized, issued, subscribed and paid up share capital of the Transferee Company as at 1st April, 2019 i.e. the Appointed Date is as under:

Authorized Capital	Amount (INR)
2,34,00,00,000 Equity shares of INR 10/- each	23,40,00,00,000
16,10,00,00,000 Preference shares of INR 100/- each	16,10,00,00,000
Total	39,50,00,00,000
Issued, Subscribed and Paid-up	Amount (INR)
205,29,29,749 Equity shares of INR 10/- each fully paid up	20,52,92,97,490
Total	20,52,92,97,490

The Transferee Company has filed the application before the Hon'ble NCLT for its approval for the reduction of its share capital, and the Hon'ble NCLT has approved the application for reduction of share capital on 20th March 2020. The shareholders of the Transferee Company have approved Reduction of Share Capital vide their resolution passed in the meeting dated 15th November 2019.

The order of Hon'ble NCLT, Mumbai Bench, for the reduction of the share capital was filed by the Company with the Registrar of Companies, Mumbai in e-form INC-28 vide SRN R36120517 dated 26th March 2020, which was

registered on 12th May, 2020 and become effective under the order of the Hon'ble NCLT, as above, and the issued, subscribed and paid up share capital of the Transferee Company is as under, and shall be considered for all purposes as provided under this Scheme, instead of the issued, subscribed and paid up capital of the Transferee Company as on the Appointed Date:

Issued, Subscribed and Paid-up	Amount (INR)
77,54,40,510 Equity shares of INR 10/- each fully paid up	7,754,405,100
Total	7,754,405,100

3.2. The authorized, issued, subscribed and paid up share capital of the Transferor Company - 1 as at 1st April 2019 i.e. the Appointed Date, is as under:

Authorized Capital	Amount (INR)
10,00,000 Equity shares of INR 10/- each	1,00,00,000
79,00,000 Preference shares of INR 100/- each	79,00,00,000
Total	80,00,00,000
Issued, Subscribed and Paid-up	Amount (INR)
10,00,000 Equity shares of INR 10/- each fully paid up	1,00,00,000
Total	1,00,00,000

Subsequent to 1st April 2019, there has been no change in the capital structure of Transferor Company - 1.

3.3. The authorized, issued, subscribed and paid up share capital of the Transferor Company - 2 as at 1st April 2019, i.e. the Appointed Date, is as under:

Authorized Capital	Amount (INR)
10,00,000 Equity shares of INR 10/- each	1,00,00,000
1,07,00,000 Preference shares of INR 100/- each	1,07,00,00,000
Total	1,08,00,00,000
Issued, Subscribed and Paid-up	Amount (INR)
10,00,000 Equity shares of INR 10/- each fully paid up	1,00,00,000
Total	1,00,00,000

Subsequent to 1st April 2019, there has been no change in the capital structure of Transferor Company - 2.

PART B

AMALGAMATION OF GMR TUNI-ANAKAPALLI EXPRESSWAYS LIMITED' (TRANSFEROR COMPANY –1 or GTA) AND 'GMR TAMBARAM TINDIVANAM EXPRESSWAYS LIMITED' (TRANSFEROR COMPANY – 2 or GTT) WITH GMR HIGHWAYS LIMITED (TRANSFeree COMPANY)

4. AMALGAMATION OF THE TRANSFEROR COMPANIES WITH THE TRANSFeree COMPANY

Transfer of Assets

- 4.1 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, whole of the Undertaking of the Transferor Companies including but not limited to all the movable and immovable properties and assets

(whether tangible or intangible) of the Transferor Companies comprising, amongst others, all furniture and fixtures, investments, software's, computers/data processing, office equipment, electrical installations, telephones, telex, facsimile and other communication facilities, deposits, reserves, provisions, advances, receivables, funds, cash, bank balances and business licenses, permits, authorizations, approvals, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secret or other intellectual property rights, proprietary right, title, interest, contracts, consent, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, if any, existing as on Appointed Date, shall, under the provisions of Sections 230 to 232 of the Act, and pursuant to the confirmation order of the Hon'ble NCLT sanctioning this Scheme and without further act, instrument or deed, but subject to the charges effecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties, assets, rights of the Transferee Company.

- 4.2 With effect from the Appointed Date, all statutory licenses, registrations, permissions, approvals or consents to carry on the operations of the Transferor Companies, if any, existing as on Appointed Date shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of business, assets and liabilities of the Transferor Companies pursuant to this Scheme. The benefit of all statutory and regulatory permissions, licenses, approvals and consents, registrations shall vest in and become available to the Transferee Company pursuant to this Scheme.

Transfer of Liabilities:

- 4.3 With effect from the Appointed Date all debts, including debentures, liabilities, duties and obligations including the contingent liability, corporate guarantee of the Transferor Companies existing as on the Appointed Date whether provided for or not in the books of account of the Transferor Companies and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or up to the day of the Appointed Date shall be the debts, liabilities, duties and obligations of the Transferee Companies including any encumbrance on the assets of the Transferor Companies or on any income earned from those assets and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen, in order to give effect to the provisions of this Clause.
- 4.4 The transfer and vesting as aforesaid shall be subject to the existing charges/ hypothecation / mortgages, if any, as may be subsisting and agreed to be created over or in respect of the said assets or any part thereof, provided however, any reference in any security documents or arrangements to which the Transferor Companies are party wherein the assets of the Transferor Companies have been or are offered or agreed to be offered as security for any financial assistance or obligations shall be construed as reference only to the assets pertaining to the Transferor Companies and vested in the Transferee Company by virtue of this Scheme to the end and intent that the charges shall not extend or deemed to extend to any assets of the Transferee Company.
- 4.5 **PROVIDED** always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed of by the Transferor Companies, and the

Transferee Company shall not be obliged to create any further or additional security thereof after the Effective Date or otherwise.

- 4.6 All taxes, duties, cess, if any, payable by the Transferor Companies including all or any refunds / claim(s) / credit(s) including any Minimum Alternate Tax credit under Section 115JAA of the Income-tax Act, 1961, expenses incurred by the Transferor Companies but deduction to be claimed on payment basis / on compliance with withholding tax provisions (as the case may be) under Sections 43B, 40(a)(i) and 40(a)(ia) of the Income-tax Act, 1961 (if any), input tax credit available under GST Act, pertaining to the period(s) prior to the Appointed Date shall be treated as the liability or refunds / claim(s) / credit(s), as the case may be, of the Transferee Company.
- 4.7 All staff, workmen and employees, if any, engaged in the Transferor Companies as on the Effective Date shall stand transferred to the Transferee Company, without any further act or deed to be done by the Transferor Companies or the Transferee Company and, subject to the provisions hereof, on terms and conditions not less favorable than those on which they are engaged by the Transferor Companies, without any interruption of service as a result of the amalgamation of the Transferor Companies into the Transferee Company.
- 4.8 All items as detailed under Para 4.1, 4.2, 4.3, 4.4, 4.6 and 4.7 in relation to the Transferor Companies shall stand transferred to or vested in the Transferee Company, without any further act or deed done by the Transferor Companies or the Transferee Company.

4.9 Without prejudice to the above provisions, with effect from the Appointed Date, all inter-party transactions between the Transferor Companies and the Transferee Company, if any, shall be considered as intra-party transactions for all purposes.

4.10 The transfer of assets and liabilities and the continuance of proceedings by the Transferee Companies as stated above shall not affect any transaction or proceedings already concluded by the Transferor Companies to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in regard thereto as done and executed by the Transferee Company on behalf of itself.

5. CONSIDERATION

5.1 Pursuant to the Scheme coming into effect and without any further application, act or deed, the Transferee Company shall issue and allot: ***(i) 8,814 (Eight Thousand Eight Hundred and Fourteen) equity shares of face value of INR 10 (Rupees ten) each fully paid up in Transferee Company for every 100 (one hundred) equity share of face value of INR 10/- (Rupee ten) each fully paid up held by it in Transferor Company-1 pursuant to the Scheme of Amalgamation,*** to the shareholders whose names appear in the register of members of the Transferor Company-1, and whose names appear as the respective beneficial owners of the equity shares of the Transferor Company-1 in the records of the depositories (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferee Company) as on the Record Date.

5.2 Pursuant to the Scheme coming into effect and without any further application, act or deed, the Transferee Company shall issue and allot: ***(i) 16,332 (Sixteen***

Thousand Three Hundred and Thirty Two) equity shares of INR 10 (ten) each fully paid up in its equity share capital in respect of every 100 (one hundred) equity shares of INR 10 (ten) each fully paid up in the equity share capital of the Transferor Company - 2, to the shareholders whose names appear in the register of members of the Transferor Company-2, and whose names appear as the respective beneficial owners of the equity shares of the Transferor Company-2 in the records of the depositories (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferee Company) as on the Record Date.

- 5.3 The equity shares to be issued by the Transferee Company to the shareholders of Transferor Companies in accordance with the Clause 5.1 and 5.2 above shall be hereinafter referred to as “New Shares”. Fractional entitlement of shares, if any, will be rounded up to the nearest integer.
- 5.4 The ratio in which the New Shares are to be issued and allotted to the shareholders of the Transferor Companies is in terms of the Share Exchange Ratio determined by Siddharth Gupta, being the Registered Valuer, vide his report dated 19th November 2020 appointed by the Companies.
- 5.5 Upon the Scheme becoming effective and upon the New Shares being issued and allotted as provided in this Scheme, the equity shares of the Transferor Companies, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date.

- 5.6 The New Shares to be issued and allotted as provided in Clause 5.1 and 5.2 above 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 with the equity shares of the Transferee Company as on the Effective Date including in respect of dividend, if any, that may be declared by the Transferee Company on or after the Effective Date.
- 5.7 The issue and allotment of New Shares to the respective shareholders of the Transferor Companies as provided in this Scheme, is an integral part thereof and shall be deemed to have been carried out without requiring any further act on the part of the Transferee Company or its shareholders and as if the procedure laid down under Section 62, and conditions laid down under section 42 of the Act and any other applicable provisions of the Act, and such other statutes and regulations as may be applicable were duly complied with.
- 5.8 Upon the Scheme becoming effective, the authorized share capital of the Transferor Companies will get merged with the authorized share capital of the Transferee Company, without any liability for payment of any additional fees (including fee payable to ROC, except as may be required as per the applicable provisions of the Act) or stamp duty or any other charges under any applicable laws for time being in force.
- 5.9 If required, the Transferee Company shall take necessary steps to increase its authorized share capital on or before the Effective Date so as to make it sufficient for allotment of shares, to the shareholders of Transferor Companies, in consideration of amalgamation after considering the combined authorized share capital of Transferee Company.

- 5.10 The issued, subscribed and paid – up share capital of the Transferor Companies as given below being inter-company investment shall stand cancelled.

The issued, subscribed and paid – up share capital of the Transferor Company 1, being inter-company investment, which shall stand cancelled:

Issued, Subscribed and Paid-up	Amount (INR)
7,30,000 Equity shares of INR 10/- each fully paid up	73,00,000

The issued, subscribed and paid – up share capital of the Transferor Company 2, being inter-company investment, which shall stand cancelled:

Issued, Subscribed and Paid-up	Amount (INR)
7,30,000 Equity shares of INR 10/- each fully paid up	73,00,000

6. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFeree COMPANY

- 6.1 On the Scheme becoming effective, the Transferee Company shall account for amalgamation in accordance with the principles laid down in Accounting Standards (INDAS) as prescribed under The Companies (Indian Accounting Standards) Rules, 2015.
- 6.2 With effect from the Appointed Date, all the assets and liabilities of Transferor Companies shall be transferred to and vested in Transferee Company and shall be recorded at their respective book values.

- 6.3 All reserves of the Transferor Companies shall be recorded in the books of Transferee Company in the same form in which they appeared in the books of Transferor Companies on the Appointed Date.
- 6.4 Inter-company balances, if any, will be cancelled.
- 6.5 Inter-company investments, if any, will be cancelled.
- 6.6 In case of any differences in accounting policy between the Transferor Companies and the Transferee Company, the impact of such differences shall be quantified and adjusted against the available reserves of the Transferee Company to ensure that the true financial statements of the Transferee Company on the Appointed Date are on the basis of consistent accounting policy.
- 6.7 The difference between the share capital issued by the Transferee Company and the net assets of the Transferor Companies acquired would be adjusted in the reserves of the Transferee Company. Also, the difference, if any arising from the cancellation of cross-holdings (if any) shall also be adjusted in the reserves of the Transferee Company.
- 6.8 Subject to any corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company, be required and except to the extent otherwise by law required, the reserves of the Transferor Companies, if any, will be merged with the corresponding reserves of the Transferee Company.

PART C

GENERAL TERMS AND CONDITIONS

7. COMBINATION OF AUTHORIZED CAPITAL

- 7.1. Upon coming into effect of this Scheme and with effect from the Appointed Date, the authorized share capital of the Transferee Company shall stand increased without any further act, instrument or deed on the part of Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, by the authorized share capital of Transferor Company-1 amounting to INR 80,00,00,000/- (Rupees eighty crore only) comprising of 10,00,000 Equity Shares of INR 10/- each and 79,00,000 Preference Shares of INR 100/- each, and Transferor Company-2 amounting to INR 1,08,00,00,000/- (Rupees one hundred eight crore only) comprising of 10,00,000 Equity Shares of INR 10/- each and 107,00,000 Preference Shares of INR 100/- each, and the Memorandum of Association and Articles of Association of Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the 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 Transferor Companies shall be utilized and applied to the increased authorized share capital of Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by Transferee Company for increase in the authorized share capital to that extent.
- 7.2. Consequent upon the Scheme becoming effective, the authorized share capital of Transferee Company will be as under:

Authorized Capital	Amount (INR)
234,20,00,000 Equity shares of INR 10/- each	23,42,00,00,000
17,96,00,000 Preference shares of INR 100/- each	17,96,00,00,000
Total	41,38,00,00,000

- 7.3. Further, Clause V of the Memorandum of Association of the Transferee Company would be substituted and be read as follows:

“The Authorized Share Capital of the Company is INR 41,38,00,00,000 (Rupees Four Thousand One Hundred Thirty Eight Crore Only) divided into 2,34,20,00,000 (Two Hundred Thirty Four Crore Twenty Lakh) equity shares of face value of INR 10/- (Rupees Ten) each and 17,96,00,000 (Seventeen Crore Ninety Six Lakh) Preference Shares of INR 100/- (Rupees Hundred) each.”

8. CONSEQUENTIAL MATTERS RELATING TO TAX, DUTIES AND COMPLIANCE WITH LAW

- 8.1. Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its income-tax returns, sales tax returns, GST returns, excise & CENVAT returns, service tax returns, other tax returns, and to restore as input credit of service tax / GST adjusted earlier or claim refunds / credits.
- 8.2. The Transferee Company is also expressly permitted to claim refunds, credits, including restoration of input CENVAT credit, GST, tax deduction in respect of nullifying of any transaction between the Transferor Companies and Transferee Company.

- 8.3. In accordance with the Cenvat Credit Rules framed under Central Excise Act, 1944, as are prevalent on the Effective Date, the unutilized credits relating to excise duties / service tax paid on inputs / capital goods / input services lying in the accounts of the Transferor Companies shall be permitted to be transferred to the credit of the Transferee Company, as if all such unutilized credits were lying to the account of the Transferee Company. The Transferee Company shall accordingly be entitled to set off all such unutilized credits against the excise duty/service tax payable by it.
- 8.4. Upon the Scheme becoming effective, unabsorbed tax losses and unabsorbed tax depreciation of the Transferor Companies, if any, till the Appointed Date and thereafter in the manner provided under this Scheme, would accrue to the Transferee Company in accordance with the provisions of the Income Tax Act, 1961.
- 8.5. This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under the tax laws, including Section 2(1B) 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 Transferor Companies and the Transferee Company, which power shall be exercised reasonably in the best interests of the companies concerned.

8.6. The expenses incurred by Transferor Companies and Transferee Company in relation to Amalgamation as per the terms and conditions of this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to Transferee Company in accordance with section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.

8.7. Upon the Scheme becoming effective, the Transferee Company shall approach the District Registrar / or any other appropriate Authority within the local jurisdiction to get the title of the properties, if any held by Transferor Companies endorsed in the name of Transferee Company.

9. **CONDUCT OF BUSINESS BY THE TRANSFEROR COMPANIES BETWEEN APPOINTED DATE AND EFFECTIVE DATE**

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

9.1. The Transferor Companies shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets for and on account of and in trust for the Transferee Company. The Transferor Companies hereby undertakes to hold their said assets with utmost prudence until the Effective Date.

9.2. The Transferor Companies shall carry on their activities with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of the Transferee Company alienate, charge, mortgage, encumber or otherwise deal with or dispose of the Transferor Companies or part thereof.

- 9.3. It is clarified that any advance tax paid / Tax Deduction at Source (“TDS”) credits / TDS certificates received by the Transferor Companies shall be deemed to be the advance tax paid by / TDS credit / TDS certificate of the Transferee Company. The Transferee Company for the purpose of claiming the TDS deductions credit, if required, file the revised e-TDS return to issue the TDS certificate with name of the Transferee Company.
- 9.4. All the profits or income, if any, accruing or arising to the Transferor Companies or expenditure or losses, if any, arising or incurred or suffered by the Transferor Companies shall for all purposes be treated and be deemed to be and accrue as the income or profits or losses or expenditure as the case may be of the Transferee Company.
- 9.5. The Transferor Companies shall not vary the terms and conditions of employment of any of the employees, existing as on the Effective Date, except in the ordinary course of business or without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by the Transferor Companies as the case may be, prior to the Effective Date.
- 9.6. The Transferor Companies shall not make any change in its capital structure either by any increase (by issue of equity or shares on a rights basis, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, subdivision or consolidation, re-organization, or in any other manner, except by mutual consent of the respective Boards of Directors of the Transferor Companies and the Transferee Company or except as may be expressly permitted.

10. EMPLOYEES OF THE TRANSFEROR COMPANIES

10.1 On the Scheme becoming effective, all staff, workmen and the employees, if any, of the Transferor Companies in service on the Effective Date shall be deemed to have become staff, workmen and the employees of the Transferee Company, without any break or interruption in their services, and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favorable than those applicable to them with reference to their employment with the Transferor Companies on the Effective Date.

10.2 It is expressly provided that, on the Scheme becoming effective, any provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the staff, workmen and the employees of the Transferor Companies in service as on the Effective Date shall become trusts/funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Companies in relation to such fund or funds shall become those of the Transferee Company. It is clarified that, for the purpose of the said fund or funds, the service of the staff, workmen and employees, if any, of the Transferor Companies will be treated as having been continuous with the Transferee Company from the date of employment as reflected in the records of the Transferor Companies.

11. VALIDITY OF EXISTING RESOLUTIONS

11.1 Upon the coming into effect of the Scheme, the resolutions of the Transferor Companies as are considered necessary by the Board of Directors of the Transferee Company which are validly subsisting be considered as resolutions of the Transferee Company. If any such resolutions have any monetary limits approved under the provisions of the Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of the Transferee Company, shall be added to the limits, if any, under the like resolutions passed by the Transferee Company.

12. LEGAL PROCEEDINGS

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

12.2 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Companies, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company.

13. CONTRACTS, DEEDS, ETC.

13.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance, Letters of Intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature pertaining to the Transferor Companies to which the Transferor Companies is a party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party thereto.

13.2 The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any arrangements, confirmations or novations in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. The Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Companies and to implement or carry out all formalities required on the part of the Transferor Companies to give effect to the provisions of this Scheme.

14. STATUTORY LICENSES, PERMISSIONS, APPROVALS

14.1 With effect from the Appointed Date and upon the Scheme becoming effective, all statutory licenses, permissions, approvals, copyrights, trademarks or consents, if any, relating to the Transferor Companies shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, environmental approvals and consents, registrations or other licenses and consents shall vest in and become available to the Transferee Company pursuant

to this Scheme. In so far as the various incentives, subsidies, rehabilitation Schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Transferor Companies are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

14.2 Similarly the applications submitted by the Transferor Companies before the Statutory Authorities for Building Plan approval, Environment clearance, or any other sanctions or approvals or consents, shall be in full force and effect in favour of the Transferee Company and may be entered by the Transferee Company as fully and effectively as if, instead of the Transferor Companies, the Transferee Company had been a party thereto.

15. SAVING OF CONCLUDED TRANSACTIONS

15.1 The Amalgamation as described hereinabove and the continuance of proceedings by or against the Transferor Companies, the same shall not affect any transaction or proceedings already concluded by the Transferor Companies on and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of the Transferee Company. All transactions of Transferor Companies as above shall constitute the transactions of the Transferee Company.

16. DISSOLUTION OF THE TRANSFEROR COMPANIES

16.1 On the Scheme becoming effective as provided in Clause 2 above, the Transferor Companies shall stand dissolved without being wound-up.

17. CONDITIONALITY OF THE SCHEME

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

- 17.1 The requisite consent, approval or confirmation order of Hon'ble NCLT, Official Liquidator, Mumbai, Hon'ble Regional Director, Western Region, Mumbai, Registrar of Companies or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.

The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors, if any, of the Transferor Companies and the Transferee Company as required under the Act and as may be directed by the Hon'ble NCLT.

- 17.2 The certified copy of the order of the Hon'ble NCLT under Section 230 to 232 the Act sanctioning the Scheme is filed with the Registrar of Companies by Transferor Companies and the Transferee Company.

- 17.3 Each part of the Scheme shall be given effect to as per the chronology in which it has been provided for in the Scheme. The Scheme shall be effective upon sanction of the Hon'ble NCLT. However, failure of any one or more part of Scheme for lack of necessary approval from the shareholders / creditors / statutory regulatory authorities shall not result in the whole Scheme failing. It shall be open to the concerned Board of Directors to consent to severing such part(s) of the Scheme and implement the rest of the Scheme as approved by the Hon'ble NCLT with such modification.

17.4 Compliance with such other conditions as may be imposed by the Hon'ble NCLT.

18. APPLICATION TO HON'BLE NCLT

The Transferee Company shall, file an application accompanying the copy of the Scheme as approved/ consented by the members and creditors to the Hon'ble NCLT, Mumbai for sanctioning the Scheme, and for dissolution of the Transferor Companies without winding up.

19. MODIFICATION OR AMENDMENTS TO THE SCHEME

19.1 Subject to approval of the Hon'ble NCLT, the Transferor Companies and the Transferee Company by their respective Boards of Directors, may assent to/make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the Hon'ble NCLT and/or any other Authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e. the Board of Directors). The Transferor Companies and the Transferee Company by their respective Board of Directors are authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any directive or Order of any other Authority or otherwise howsoever, 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

20.1 In the event of any approvals or conditions enumerated in the Scheme not being obtained or complied with, or for any other reason, the Scheme cannot be implemented, the Board of Directors of the Transferee Company and the Transferor Companies shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, or in case the Scheme not confirmed by the Hon'ble NCLT, the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

21. COSTS, CHARGES & EXPENSES

21.1 In the event of the Scheme being sanctioned by the Hon'ble NCLT, the Transferee Company shall bear and pay all costs, charges, expenses, taxes including duties, levies in connection with the Scheme.