

SCHEME OF MERGER BY ABSORPTION
OF
ONE PLACE COMMERCIALS PRIVATE LIMITED
(‘FIRST TRANSFEROR COMPANY’)
AND
PALAVA CITY MANAGEMENT PRIVATE LIMITED
(‘SECOND TRANSFEROR COMPANY’)
(COLLECTIVELY REFERRED TO AS ‘TRANSFEROR COMPANIES’)
WITH
MACROTECH DEVELOPERS LIMITED
(TRANSFEREE COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS
OF THE COMPANIES ACT, 2013 AND RULES & REGULATIONS FRAMED
THEREUNDER

A. PREAMBLE

This Scheme of Merger by Absorption (**‘Scheme’**) is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder for the merger of One Place Commercials Private Limited (**‘First Transferor Company’**) and Palava City Management Private Limited (**‘Second Transferor Company’**) with Macrotech Developers Limited (**‘Transferee Company’**) and their respective shareholders.

B. DESCRIPTION OF COMPANIES

1. One Place Commercials Private Limited (‘First Transferor Company’ or ‘OPCPL’)

The First Transferor Company was incorporated as a private limited company under the Companies Act, 2013 on 11th February 2016 in the state of Maharashtra under the name of ‘Sahasrabuddhe Tutorials Private Limited’ vide Corporate Identity Number U80200MH2016PTC273057. The name of the First Transferor Company was changed to its present name “One Place Commercials Private Limited” with effect from 19th August 2019 vide fresh certificate of incorporation consequent upon change of name,



issued by the Jurisdictional Registrar of Companies. The Permanent Account Number (PAN) of the First Transferor Company is AAWCS8190C. The First Transferor Company is primarily engaged in the business of construction and real estate development. The First Transferor Company is a wholly owned subsidiary of the Transferee Company. The CIN of the First Transferor Company as on date is U70100MH2016PTC273057.

2. Palava City Management Private Limited ('Second Transferor Company' or 'PCMPL')

The Second Transferor Company was incorporated as a private limited company under the erstwhile Companies Act, 1956 on 7th January 2008 in the state of Maharashtra under the name of 'Lodha Structure Developers Private Limited' vide Corporate Identity Number U45202MH2008PTC177500. The name of the Second Transferor Company was changed to "Palava Utilities Private Limited" with effect from 2nd April 2012 vide fresh certificate of incorporation consequent upon change of name, issued by the Jurisdictional Registrar of Companies. Further, the name of the Second Transferor Company was changed to its present name "Palava City Management Private Limited" with effect from 10th June 2014 vide fresh certificate of incorporation consequent upon change of name, issued by the Jurisdictional Registrar of Companies. The Permanent Account Number (PAN) of the Second Transferor Company is AABCL4071C. The Second Transferor Company is primarily engaged in the business of construction and real estate development. The Second Transferor Company is a wholly owned subsidiary of the Transferee Company. The CIN of the Second Transferor Company as on date is U40100MH2008PTC177500.

3. Macrotech Developers Limited ('Transferee Company' or 'MDL')

The Transferee Company was originally incorporated as a private limited company under the Companies Act 1956, on the 25th September 1995 under the name and style of 'Lodha Developers Private Limited' vide Corporate Identity Number U45200MH1995PTC093041. On 10th August 2009, the Transferee Company was converted into a public limited company and its name was changed to 'Lodha Developers Limited'. Subsequently, on 11th January 2013, the Transferee Company again got converted into a private limited company and the name of the Transferee Company was changed to 'Lodha Developers Private Limited', and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of



Companies, Mumbai. Thereafter, on 14th March 2018, the Transferee Company again got converted into a public limited company, and the name was changed to 'Lodha Developers Limited', for which a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Mumbai having Corporate Identity Number U45200MH1995PLC093041. Further, the Transferee Company changed its name from 'Lodha Developers Limited' to 'Macrotech Developers Limited' and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies, Mumbai dated 24th May 2019. The Permanent Account Number (PAN) of the Transferee Company is AAACL1490J. The Transferee Company is a listed company having its equity shares listed on BSE Limited and National Stock Exchange of India Limited and it is currently engaged in the business of construction and real estate development. The CIN of the Transferee Company as on date is L45200MH1995PLC093041.

C. RATIONALE OF THE SCHEME

The Transferor Companies are directly wholly-owned subsidiaries of the Transferee Company. The objects / rationale of the proposed Scheme is as under:

- The merger of Transferor Companies into Transferee Company will result in operational synergies resulting in cost optimization;
- The Scheme will also achieve rationalization of costs by simplification of management structure leading to better administration and cost savings;
- Rationalization of the group holding structure by way of reduction in the number of entities and streamline the structure of Transferee Company;
- Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by Transferor Companies, and greater financial strength and flexibility for the Transferee Company, which would result in maximizing overall shareholder value.

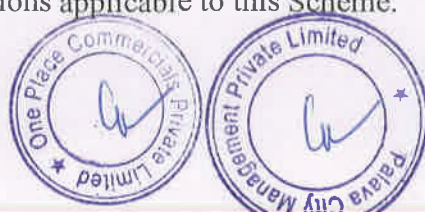
D. PARTS OF THE SCHEME

This Scheme is divided into the following parts:

PART I deals with the Definitions, Interpretations and Share Capital;

PART II deals with the merger of the Transferor Companies with the Transferee Company; and

PART III deals with the general terms and conditions applicable to this Scheme.



PART I – DEFINITIONS, INTERPRETATIONS 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 ordinances, rules and regulations made thereunder, and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force.

References in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 2013, unless stated otherwise;

- 1.2. **“Applicable Law”** shall mean any statute, notification, bye laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or instructions having the force of law enacted or issued by the Appropriate Authority including any statutory modification or re-enactment thereof for the time being in force;

- 1.3. **“Appointed Date”** means the 1st April 2024, or such other date as may be fixed or approved by the Hon’ble NCLT, Mumbai Bench;

- 1.4. **“Appropriate Authority”** means any governmental, statutory, departmental or public body or authority, including NCLT, Registrar of Companies, Regional Director, Central Government, or any other authority for approval of the Scheme under the Act and other applicable authorities pursuant to the provisions of Section 230(5) of the Act, as may be relevant in the context;

- 1.5. **“Board of Directors” or “Board”** means the respective Board of Directors of the Transferor Companies or the Transferee Company, as the case may be, and shall include any committee of directors constituted or appointed and authorized for the purposes of matters pertaining to this Scheme and or any other matter relating thereto;

- 1.6. **“Effective Date”** means the last of the dates on which the certified copies of the orders sanctioning this Scheme, passed by the Hon’ble National Company Law Tribunal, Bench at Mumbai, are filed with the Registrar of Companies, Maharashtra at Mumbai by the Transferor Companies and the Transferee Company;



- 1.7. **“Encumbrances”** means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term “encumber” or “encumbered” shall be construed accordingly;
- 1.8. **“First Transferor Company” or “OPCPL”** means One Place Commercial Private Limited, a private limited company incorporated under the Companies Act, 2013 on 11th February 2016, and having its registered office at 412, Floor – 4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai – 400 001 in the State of Maharashtra;
- 1.9. **“NCLT”** means the National Company Law Tribunal, Mumbai Bench, having jurisdiction in relation to the Transferor Companies and the Transferee Company and shall be deemed to include, if applicable, a reference to such other forum or authority which may be vested with any of the powers of NCLT to sanction the Scheme under the Act;
- 1.10. **“Registrar of Companies”** means the Registrar of Companies, Maharashtra at Mumbai having jurisdiction over the Transferor Companies and the Transferee Company under this Scheme;
- 1.11. **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Merger by Absorption in its present form or with any modification(s) made under Clause 17 of this Scheme as approved or directed by the NCLT;
- 1.12. **“Second Transferor Company” or “PCMPL”** means Palava City Management Private Limited, a private limited company incorporated under the erstwhile Companies Act, 1956 on 7th January 2008, and having its registered office at 412, Floor – 4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai – 400 001 in the State of Maharashtra;
- 1.13. **“Stock Exchanges”** means BSE Limited and National Stock Exchange of India Limited;



1.14. “**Transferee Company**” or “**MDL**” means Macrotech Developers Limited, a public limited company incorporated under the erstwhile Companies Act, 1956 on 25th September 1995, and having its registered office at 412, Floor – 4, 17G Vardhaman Chamber, Cawasji Patel Road, Horniman Circle, Fort, Mumbai – 400 001 in the State of Maharashtra;

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 Act and other applicable laws, rules, regulations, byelaws, as the case may be, including any statutory amendment(s), modification(s) or re-enactment(s) thereof, from time to time.

2. **DATE OF TAKING EFFECT AND OPERATIVE DATE**

The Scheme as set out herein in its present form, or with any modification(s) or amendment(s) approved, imposed or directed by the NCLT or any other Appropriate Authority, shall be effective from the Appointed Date, as defined in Section 232(6) of the Act, but shall be operative from the Effective Date.

3. **SHARE CAPITAL**

3.1. The share capital of the First Transferor Company as on 31st March 2023 is as under:

| Particulars | Amount (in Rs.) |
|--|------------------------|
| <u>Authorised Share Capital</u> | |
| 1,000 Equity Shares of Rs. 100/- each | 1,00,000 |
| 10,000 Preference Shares of Rs. 10/- each | 1,00,000 |
| Total | 2,00,000 |
| <u>Issued, Subscribed and Paid-up Share Capital</u> | |
| 500 Equity Shares of Rs. 100/- each, fully paid-up | 50,000 |
| Total | 50,000 |

Subsequent to 31st March 2023, there has been no change in the authorised, issued, subscribed and paid-up share capital of the First Transferor Company.



3.2. The share capital of the Second Transferor Company as on 31st March 2023 is as under:

| Particulars | Amount (in Rs.) |
|--|-----------------|
| <u>Authorised Share Capital</u> | |
| 50,000 Equity Shares of Rs. 10/- each | 5,00,000 |
| Total | 5,00,000 |
| <u>Issued, Subscribed and Paid-up Share Capital</u> | |
| 50,000 Equity Shares of Rs. 10/- each, fully paid-up | 5,00,000 |
| Total | 5,00,000 |

Subsequent to 31st March 2023, there has been no change in the authorised, issued, subscribed and paid-up share capital the Second Transferor Company.

3.3. The share capital of the Transferee Company as on 31st March 2023 is as under:

| Particulars | Amount (in Rs.) |
|--|------------------------|
| <u>Authorised Share Capital</u> | |
| 1,294,945,750 Equity Shares of Rs. 10 each | 12,949,457,500 |
| 1,26,96,250 Preference Shares of Rs. 10 each | 12,69,62,500 |
| Total | 13,07,64,20,000 |
| <u>Issued, Subscribed and Paid-up Share Capital</u> | |
| 481,788,874 Equity Shares of Rs. 10/- each, fully paid-up | 4,817,888,740 |
| Total | 4,817,888,740 |

The current Share Capital structure of the Transferee Company as on date is as under

| Particulars | Amount (in Rs.) |
|--|-----------------------|
| <u>Authorised Share Capital</u> | |
| 129,50,75,750 Equity Shares of Rs. 10 each | 1295,07,57,500 |
| 1,26,96,250 Preference Shares of Rs. 10 each | 12,69,62,500 |
| Total | 1307,77,20,000 |
| <u>Issued, Subscribed and Paid-up Share Capital</u> | |
| 96,45,08,249 Equity Shares of Rs. 10/- each, fully paid-up | 964,50,82,490 |
| Total | 964,50,82,490 |



**PART II – AMALGAMATION OF THE TRANSFEROR COMPANIES WITH
THE TRANSFEREE COMPANY**

4. TRANSFER AND VESTING

- 4.1. Subject to the provisions of this Scheme and with effect from the Appointed Date and upon the Scheme becoming effective, all the assets and liabilities of the Transferor Companies, under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, and pursuant to the orders of the NCLT or other Appropriate Authority, if any, sanctioning the Scheme shall without any further act, deed, matter or thing, shall stand transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and liabilities of the Transferee Company in accordance with the provisions of Section 2(1B) of the Income-tax Act, 1961.
- 4.2. With effect from the Appointed Date, the whole of the business of the Transferor Companies, as a going concern, including its business, all secured and unsecured debts, 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, registrations, copyrights, patents, trademarks and other rights and licenses in respect thereof, applications for copyrights, patents, trademarks, leases, licenses, tenancy rights, premise, ownership flats, hire purchase and lease arrangements, lending arrangements, joint venture agreements, benefits of security arrangements, computers, office equipment, telephones, telexes, facsimile 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 rights, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, receivables, deposits, funds, cash, bank balances accounts and all other rights, benefits of all agreements, subsidies, grants, tax credits [including but not limited to benefits of tax relief including under the Income-tax Act, 1961 such as credit for advance tax, minimum alternate tax, taxes deducted at source, etc, benefits under the Sales Tax Act,



sales tax set off, benefits of any unutilised MODVAT/CENVAT/Service tax credits, un-availed or/and unutilised input tax credit of central goods and services tax ('CGST'), integrated goods and services tax ('IGST'), state goods and services tax ('SGST'), goods and services tax compensation cess ('GST Compensation Cess') etc.], any input tax credit of central goods and services tax ('CGST'), integrated goods and services tax ('IGST'), state goods and services tax ('SGST') pertaining to invoices which are issued by the vendors after Effective Date in the name of Transferor Companies, software license, domain / website etc. all files, papers, records engineering and catalogues, data quotations sales / advertisement materials and former customers (price information) / suppliers (credit information) other records whether in physical, electronic form 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 Company, whether in India or abroad as on the Appointed Date, shall, under the provisions of sections 230-232 of the Act and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become from the Appointed Date, the business of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Companies therein.

- 4.3. With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licences, permissions, approvals, quotas or consents to carry on the respective operations and business of 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, factory licences, environmental approvals and consents, sales tax, service tax, excise registrations, CGST, SGST, IGST or other licences and consents shall vest in and shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if instead of the Transferor Company, the Transferee Company had been the party thereto or the beneficiary or obligee thereof 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, as the case may be, are concerned,



the same shall vest with and be available to the Transferee Company on the same terms and conditions.

4.4. With effect from the Appointed Date, all respective debts, liabilities (including contingent liabilities), duties and obligations of every kind, nature and description of the Transferor Companies, shall be deemed to have been transferred to the Transferee Company and to the extent they are outstanding on the Effective Date shall, without any further act, deed, matter or thing be and stand transferred to the Transferee Company and shall become the liabilities and obligations of the Transferee Company which undertakes to meet, discharge and satisfy the same and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.

4.5. Where any of the respective debts, liabilities (including contingent liabilities), duties and obligations of the Transferor Companies as on the Appointed Date, deemed to be transferred to the Transferee Company have been discharged by the Transferor Companies, after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company, and all loans raised and used and all liabilities and obligations incurred by the Transferor Companies after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall also without any further act, deed, matter or thing shall stand transferred to the Transferee Company and shall become the liabilities and obligations of the Transferee Company which undertakes to meet, discharge and satisfy the same and 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 loans and liabilities have arisen in order to give effect to the provisions of this Clause.

4.6. All the assets and properties which are acquired by the Transferor Companies, on or after the Appointed Date but prior to the Effective Date shall be deemed to be and shall become the assets and properties of the Transferee Company and shall under the provisions of Sections 230-232 and all other applicable provisions if any of the Act, without any further act, instrument or deed, be and stand transferred to and vested in



and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230-232 of the Act.

- 4.7. Loans, advances and other obligations if any, due or which may at any time in future become due between the Transferor Companies and the Transferee Company shall stand cancelled and there shall be no liability in that behalf on either party.
- 4.8. The transfer and vesting of the undertakings of the Transferor Companies as aforesaid shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the property and assets or any part thereof to the extent such securities, charges, mortgages, encumbrances are created to secure the liabilities forming part of the Transferor Companies. Provided always that this Scheme shall not operate to enlarge the scope of security for any loan, deposit or facility availed of by the Transferor Companies and the Transferee Company shall not be obliged to create or provide any further or additional security therefore after the Effective Date or otherwise.
- 4.9. Without prejudice to the provisions of the foregoing clauses and upon the effectiveness of this Scheme, the Transferor Companies and the Transferee Company shall execute all such instruments or documents 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 Registrar of Companies, Mumbai to give formal effect to the above provisions.
- 4.10. The provisions of this Scheme as they relate to the merger of the Transferor Companies into Transferee Company, have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(1B) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.



4.11. Upon the Scheme being sanctioned and taking effect, the Transferee Company shall be entitled to operate all bank accounts related to the Transferor Companies and all cheques, drafts, pay orders, direct and indirect tax balances and/or payment advices of any kind or description issued in favour of the Transferor Companies, either before or after the Appointed Date, or in future, may be deposited with the Bank of the Transferee Company and credit of all receipts there-under will be given in the accounts of the Transferee Company.

5. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

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

5.2. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, power of attorney given by, issued to or executed in favour of the Transferor Companies shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall make applications and do all such acts or things which may be necessary to obtain relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.

5.3. The Transferee Company, at any time after the Scheme becoming effective, in accordance with the provisions hereof, if so, required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which the Transferor Companies is a party, in



order to give formal effect to the provisions of the Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Companies and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Transferor Companies.

6. STAFF, WORKMEN & EMPLOYEES

- 6.1. Upon the coming into effect of this Scheme, all employees of the Transferor Companies shall, become the employees of the Transferee Company, on terms and conditions not less favourable than those on which they are engaged by the Transferor Companies and without any interruption of or break in service as a result of the merger of the Transferor Companies with the Transferee Company. For the purpose of payment of all retirement benefits, the past services of such employees with the Transferor Companies shall be taken into account from the date of their appointment with the Transferor Companies and such benefits to which the employees are entitled in the Transferor Companies shall also be taken into account, and paid (as and when payable) by the Transferee Company.

Insofar as the provident fund, gratuity fund, superannuation fund, retirement fund and any other funds or benefits created by the Transferor Companies for its employees or to which the Transferor Companies is contributing for the benefit of its employees (collectively referred to as the "Funds") are concerned, the Funds or such part thereof as relates to the employees (including the aggregate of all the contributions made to such Funds for the benefit of the employees, accretions thereto and the investments made by the Funds in relation to the employees) shall be transferred to the Transferee Company and shall be held for the benefit of the concerned employees. In the event the Transferee Company has its own funds in respect of any of the employee benefits referred to above, the Funds shall, subject to the necessary approvals and permissions, and at the discretion of the Transferee Company, be merged with the relevant funds of the Transferee Company. In the event that the Transferee Company does not have its own funds in respect of any of the above or if deemed appropriate by the Transferee Company, the Transferee Company may, subject to necessary approvals and permissions, maintain the existing funds separately and contribute thereto until such time that the Transferee Company creates its own funds, at which time the Funds and the investments and contributions pertaining to the employees shall be merged with the funds created by the Transferee Company.



- 6.2. In relation to those Employees for whom the Transferor Companies are making contributions to the government provident fund or other employee benefit fund, the Transferee Company shall stand substituted for the Transferor Companies, 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 Companies as the case may be in relation to such schemes/ Funds shall become those of the Transferee Company.

7. LEGAL PROCEEDINGS

- 7.1. If any suit, appeal or other legal proceedings of whatsoever nature by or against the Transferor Companies are pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the merger of the Transferor Companies with the Transferee Company and 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 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.
- 7.2. The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Companies referred to in sub clause 7.1 above, transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company to the exclusion of the Transferor Companies.

8. TAXES

- 8.1. This Scheme has been drawn up to comply with the conditions specified in Section 2(1B) and other relevant provisions of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section and other related provisions at a later date including that resulting from a retrospective amendment of law or for any other reason whatsoever till the time the Scheme becomes effective, the provisions of the said section and other related provisions of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified, unless the Board of Directors decide otherwise, to the extent required to comply with Section 2(1B) and other relevant provisions of the Income Tax Act, 1961.



- 8.2. Any tax liabilities under the Income-tax Act, 1961, Excise Duty Laws, Service Tax Laws, applicable State Value Added Tax Laws, the Integrated Goods and Services Tax Act, 2017, the Central Goods and Services Tax Act, 2017, Maharashtra Goods and Services Tax Act, 2017 and any other state Goods and Services Tax Act, 2017, the Goods and Services Tax (Compensation to States) Act, 2017, Stamp Laws, or other applicable laws/regulations (hereinafter in this clause referred to as "Tax Laws") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Companies to the extent not provided for or covered by tax provision in the Accounts made as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company.
- 8.3. All taxes (including income tax, excise duty, service tax, applicable state Value Added Tax, CGST, SGST, IGST, GST Compensation Cess, etc.) paid or payable by the Transferor Companies in respect of the operations and/ or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, in so far as it relates to the tax payment (including without limitation income tax, wealth tax, excise duty, service tax, applicable state Value Added Tax, CGST, SGST, IGST, GST Compensation Cess, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.
- 8.4. Without prejudice to the generality of the above, all benefits including under the income tax, excise duty, service tax, applicable State Value Added Tax Laws, CGST, SGST, IGST, GST Compensation Cess etc., including but not limited to MAT Credit, to which the Transferor Companies are entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.

9. TAX CREDITS

- 9.1. The benefit of any tax credits whether central, state or local, availed by the Transferor Companies and carry forward and set-off of accumulated losses and unabsorbed depreciation, MAT credits, book losses and the obligations, if any, for payment of the



tax on any assets of the Transferor Companies shall be deemed to have been availed by the Transferee Company or as the case may be, deemed to be the obligations of the Transferee Company.

- 9.2. With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess payable/receivable by the Transferor Companies, including all or any refunds/tax credit/claims relating thereto shall be treated as asset/liability or refunds/credit/claims, as the case may be, of the Transferee Company.
- 9.3. All expenses incurred by the Transferor Companies under Section 43B of the Income Tax Act, 1961, shall be claimed as a deduction by the Transferee Company and the transfer of the Transferor Companies shall be considered as a succession of the business by the Transferee Company. Accordingly, it is further clarified that the Transferee Company shall be entitled to claim deduction under section 43B of the Income Tax Act, 1961 in respect of the unpaid liabilities transferred to the extent not claimed by the Transferor Companies, as and when the same are paid subsequent to the Appointed Date.
- 9.4. Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company and the Transferor Companies are expressly permitted to revise their tax returns including tax deducted at source certificates/returns and to claim refunds, advance tax credits, excise and service tax credits, unutilized input tax credit of CGST, IGST, SGST, GST Compensation Cess, set off, etc. on the basis of the accounts of the Transferor Companies, as vested with the Transferee Company upon coming into effect of this scheme and its right to make such revisions in the related tax returns and related certificates, as applicable, and the rights to claim refunds, adjustments, credits, set-offs, advance tax credits pursuant to the sanction of this Scheme and the Scheme becoming effective is expressly reserved.
- 9.5. Any refund under the Tax Laws due to the Transferor Companies consequent to the assessments made on the Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall belong to and be received by the Transferee Company.

10. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE



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

- 10.1 The Transferor Companies undertakes to preserve and carry on its business, with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber or otherwise deal with or dispose of any undertaking or any part thereof save and except in each case:
- a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the Tribunal; or
 - b) if the same is expressly permitted by this Scheme; or
 - c) if the prior written consent of the Board of Directors of the Transferee Company has been obtained.
- 10.2 The Transferor Companies shall carry on and be deemed to have carried on all business and activities and shall stand possessed of all the assets, rights, title and interest for and on account of, and in trust for the Transferee Company.

11. SAVING OF CONCLUDED TRANSACTION(S)

The transfer and vesting of the assets, liabilities and obligations pertaining/relating to the Transferor Companies, pursuant to this Scheme, and the continuance of the proceedings by or against the Transferee Company, under clause 7 hereof shall not affect any transactions or proceedings already completed or liabilities incurred by the Transferor Companies, either prior to or on or after the Appointed Date, to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/or on behalf of the Transferor Companies, as acts, deeds and things done and executed by and/or on behalf of itself.

12. CONSIDERATION

- 12.1. The First Transferor Company and Second Transferor Company are directly and beneficially owned by the Transferee Company. Accordingly, the Transferor Companies are direct wholly owned subsidiaries of the Transferee Company. Thus, upon the Scheme becoming effective, neither any consideration will be paid nor any shares shall be issued by the Transferee Company to the shareholders of the Transferor Companies and consequent upon the merger, the shares of the Transferor Companies held by the Transferee Company directly, shall stand cancelled



12.2. It is further clarified that since the Transferor Companies are wholly owned subsidiaries of the Transferee Company, no consideration shall be discharged by the Transferee Company pursuant to the Scheme of merger.

13. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEEE COMPANY

13.1. Pursuant to the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Transferee Company shall account for the amalgamation of the Transferor Companies with the Transferee Company in its books of accounts in accordance with the Indian Accounting Standard 103 "Business Combinations" prescribed under Section 133 of the Act read with the relevant rules issued thereunder and other generally accepted accounting principles in India, or any other relevant or related requirements under the Companies Act, as applicable on the effective date.

14. AGGREGATION OF AUTHORISED SHARE CAPITAL

14.1. Upon this Scheme becoming effective, the authorized share capital of Rs. 2,00,000 (Rupees Two Lakhs) of the First Transferor Company (which comprises of 1,000 Equity Shares of Rs. 100 each and 10,000 Preference Shares of Rs. 10 each) and Rs. 5,00,000 (Rupees Five Lakhs) of the Second Transferor Company (which comprises of 50,000 Equity Shares of Rs. 10 each), shall stand consolidated with the authorized share capital of the Transferee Company as mentioned in Clause 14.2 below. Accordingly, the authorized share capital of the Transferee Company shall stand increased to that extent without any further act, instrument or deed on the part of the Transferee Company. The Transferee Company shall pay fees or charges, if any to the Registrar of Companies in accordance with provisions of Section 232(3)(i) of the Act after setting-off fees already paid by the Transferor Companies, and/or to any other government authority, and the Memorandum of Association of the Transferee Company (relating to the authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, pursuant to Section 13, 14, 61 and 232(3)(i) respectively of the Companies Act, 2013 and/or any other applicable provisions of the Act, as the case may be. Hence, for this purpose, the fees paid on the authorised share capital of the Transferor Companies shall be utilised and set-off against fees payable, if any by the Transferee Company on such increased authorised share capital. The Transferee Company shall not be required to pay any stamp duty on such Increased Authorised Share Capital. Further, in the event of any increase in the authorised share



capital of the Transferor Companies and/ or the Transferee Company before the Effective Date, on sanctioning of the any other Scheme by the competent authorities or otherwise increased independently by the respective Companies, such increase shall be given effect to while aggregating the authorised share capital of the Transferee Company and the clauses provided hereinunder shall stand modified to that extent such that the such increase shall be taken in account while aggregating the Authorised Share Capital under the present Scheme.

- 14.2. Consequent upon the merger, the Authorized Share Capital of the Transferee Company will be amended / altered / modified as under:

| Authorized Share Capital | Amount in Rs. |
|--|-----------------------|
| 129,51,35,750 Equity Shares of Rs. 10 each | 1295,13,57,500 |
| 1,27,06,250 Preference Shares of Rs. 10 each | 12,70,62,500 |
| Total: | 1307,84,20,000 |

- 14.3. 'Clause V' of the Memorandum of Association of the Transferee Company shall be amended by deleting the existing clause and replacing it by the following:

The Authorised Share Capital of the Company is Rs.1307,84,20,000 (Rupees One Thousand Three Hundred and Seven Crores Eighty-Four Lakhs and Twenty Thousand Only) divided into 129,51,35,750 (One Hundred and Twenty-Nine Crores Fifty-One Lakhs Thirty-Five Thousand Seven Hundred and Fifty) equity shares of face value of Rs. 10 (Rupees Ten only) each, and 127,06,250 (One Crore Twenty Seven Lakhs Six Thousand Two Hundred and Fifty) Preference Shares of face value of Rs. 10 each (Rupees Ten only) with power to increase or reduce the capital of the Company and/or the nominal value of the shares and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions with or without voting rights as may be determined by or in accordance with the Articles of Association of the Company or as may be decided by the Board of Directors or by the Company in General Meeting, as applicable, in conformity with the provisions of the Act, and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions and to consolidate or sub-divide the shares and issue shares of higher or lower denominations in such manner as may be permitted by the Act or provided by the Articles of Association of the Company for the time being



14.4. It is clarified that the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 13, 14 and 61, respectively, of the Companies Act, 2013 and/ or any other applicable provisions of the Act, would be required to be separately passed.

15. DISSOLUTION OF THE TRANSFEROR COMPANIES

The Transferor Companies shall be dissolved without winding up, on an order made by the Hon'ble NCLT under Sections 230 to 232 and other applicable provisions of the Act, without any further act, deed or instrument on part of the Transferor Companies and/or the Transferee Company.



PART III - GENERAL TERMS AND CONDITIONS

16. APPLICATION(S) TO NCLT

The Transferor Companies and/or the Transferee Company shall make, as applicable, joint or separate applications / petitions under Sections 230 to 232 and other applicable provisions of the Act read with rules & regulations framed thereunder, to the Hon'ble NCLT for sanctioning this Scheme and directions required thereunder for giving effect to the Scheme.

17. MODIFICATIONS/ AMENDMENTS TO THE SCHEME

17.1. Subject to approval of the NCLT, the Transferor Companies and/or the Transferee Company, through their respective Board of Directors, may consent, on behalf of all persons concerned including but not limited to shareholders and/or creditors and/or stakeholders of the Transferor Companies and the Transferee Company, to any modifications/amendments to the Scheme or to any conditions or limitations that the NCLT may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors) and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect.

17.2. For the purpose of giving effect to this Scheme or to any modification thereof, the Board of Directors of the Transferee Company may give and are authorised to give such directions including directions for settling any question of doubt or difficulty that may arise.

17.3. In the event, which of any of the conditions imposed by the NCLT or other authorities the Transferor Companies and/or the Transferee Company may find unacceptable for any reason, in whole or in part, then the Transferor Companies and/or the Transferee Company are at liberty to withdraw the Scheme.

18. CONDITIONALITY OF THE SCHEME

The Scheme is conditional upon and subject to the following:

- a) Approval of the Scheme by the requisite majorities of the respective members and/or creditors (as applicable) of the Transferor Companies and the Transferee



Company, as required under the Act, or dispensing the meetings, as may be directed by the Hon'ble NCLT.

- b) Sanction of the Scheme by Hon'ble NCLT under Sections 230 to 232 of the Act in favour of the Transferor Companies and the Transferee Company, as the case may be, under the said provisions and to the necessary order sanctioning the Scheme being obtained.
- c) Certified copy of the order of the Hon'ble NCLT sanctioning the Scheme being filed with the Jurisdictional Registrar of Companies, by each of the Transferor Company and Transferee Company.
- d) The requisite consent, approval or permission of any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.

19. EFFECT OF NON-RECEIPT OF APPROVALS

19.1. In the event any of the said approvals or sanctions referred to in Clause 18 above not being obtained or conditions enumerated in the Scheme not being complied with, or for any other reason, the Scheme cannot be implemented, the Boards of Directors or committee empowered thereof of the Transferor Companies and the Transferee Company shall by mutual agreement, waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, the Scheme shall become null and void and shall stand revoked, cancelled and be of no effect and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

19.2. The Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme could have adverse implications on the Transferor Companies and/ or the Transferee Company.

20. BINDING EFFECT

Upon the Scheme becoming effective, the same shall be binding on the Transferor Companies and the Transferee Company and all concerned parties including but not



limited to their shareholders, creditors, employees, stakeholders, sectoral regulators, etc. without any further act, deed, matter or thing.

21. SEVERABILITY

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Companies and Transferee Company, affect the validity or implementation of the other parts and/ or provisions of this Scheme, unless the deletion of such part shall cause this scheme to become materially adverse to either the Transferee Company or any of the Transferor Companies, in which case the Transferee Company and Transferor Companies may, through mutual consent and acting through their respective board of directors, attempt to bring about appropriate modification to this scheme, as will best preserve for each of them, the benefits and obligation of this scheme, including but not limited to such part.

22. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Companies and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.

