

**COMPOSITE SCHEME OF AMALGAMATION**

**OF**

**Worldone Private Limited....**

**Transferor Company 1**

**AND**

**Simhapuri Energy Limited....**

**Transferor Company 2**

[collectively, **Transferor Company 1** and **Transferor Company 2** are referred to as “**Transferor Companies**”]

**WITH**

**Jindal Power Limited....**

**Transferee Company**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS**

**UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE  
COMPANIES ACT, 2013**

## **PREAMBLE**

This Scheme (*as defined hereinafter*) is presented under Sections 230 to 232 of the Companies Act, 2013, the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) or amendment(s) thereof) for:

- (i) amalgamation (merger by absorption) of Worldone Private Limited (i.e. the Transferor Company 1) with Jindal Power Limited (i.e. the Transferee Company); and
- (ii) amalgamation (merger by absorption) of Simhapuri Energy Limited (i.e. the Transferor Company 2) with Jindal Power Limited (i.e. the Transferee Company),

with effect from the relevant Appointed Date (*as defined hereinafter*) and upon effectiveness of the Scheme on the Effective Date (*as defined hereinafter*). In addition, the Scheme also provides for various other matters, consequential or otherwise, integrally connected therewith.

### **A. Description of the Companies**

#### **1. Description of Transferor Company 1**

- 1.1 Transferor Company 1 was incorporated on 24 August 1999 under the name ‘Jindal Coal Private Limited’ as a private limited company with the Registrar of Companies, NCT of Delhi and Haryana with corporate identification number (**CIN**) U51909DL1999PTC101293 and its registered office at Plot no. 2 Sector – 32, Gurgaon, Haryana – 122001, India. Pursuant to receipt of the approval from Registrar of Companies, NCT of Delhi and Haryana, Transferor Company 1 changed its name to (i) ‘Worldone Trading Private Limited’ on 23 June 2014; and (ii) from ‘Worldone Trading Private Limited’ to ‘Worldone Private Limited’ on 22 February 2021. Transferor Company 1 is a debt listed entity and the non-convertible debt securities issued by it are listed on BSE Limited (**BSE**). The permanent account number (**PAN**) obtained by Transferor Company 1 is AABCJ3739R.
- 1.2 Transferor Company 1 changed the state in which its registered office was situated from the state of Delhi to the state of Haryana and was allotted a fresh CIN U51909HR1999PTC103218 pursuant to the certificate from Regional Director, NCT of Delhi dated 27 April 2022. Pursuant to the order of the Regional Director, Northern Region dated 11 November 2022, the registered office of Transferor Company 1 was then changed from the state of Haryana to C/O Jindal Power Limited, Tamnar, District Raigarh, Chhattisgarh – 496107, India, and Transferor Company 1 was granted a CIN U51909CT1999PTC014043 by Registrar of Companies, Chhattisgarh pursuant to fresh certificate of incorporation dated 16 December 2022.
- 1.3 Transferor Company 1 has been involved in the business of power and related sectors and has investments in certain other entities. Each of these investee companies have significant presence in the power sector with direct and indirect investments in plants generating over 4300 megawatts (**MW**) of power. The management has, as part of its expansion of power business, sought to expand its presence in the Indian thermal market through acquisition of key power generating assets in India. Accordingly, Transferor Company 1’s management identified the Transferee Company,

which by itself and its step-down subsidiaries has investments in the thermal power sector aggregating to 3,400 MW, for the purpose of acquisition either through purchase of business itself or through purchase of the Transferee Company. Owing to inherent operational and regulatory complexities in direct acquisition of business/ undertakings/ assets, Transferor Company 1 entered into a share purchase agreement dated 7 August 2021 for acquisition of the entire stake of the Transferee Company which at the time was held by Jindal Steel & Power Limited.

- 1.4 Post the above acquisition, the management of Transferor Company 1 continued to identify opportunities in the power sector either directly or through Transferee Company to strengthen its presence in the Indian power industry.
- 1.5 Transferor Company 1 holds 100% of the beneficial ownership of the Transferee Company, which in turn holds the entire shareholding of Transferor Company 2.
- 1.6 **Authorised, issued, subscribed and paid-up share capital:**

The authorized, issued, subscribed and paid-up share capital of Transferor Company 1 as on as on 15 December 2022 is as set forth below:

Particulars	Amount (in INR)
<b>Authorised Share Capital*</b>	
49,90,000 equity shares of INR 10 each	4,99,00,000
1,70,000 preference shares of INR 10 each	17,00,000
<b>Total</b>	<b>5,16,00,000</b>
<b>Issued, Subscribed and Paid-Up Share Capital</b>	
<b>Ordinary Equity Shares</b>	
1,05,000 Equity shares of INR 10 each	10,50,000
<b>Class II Equity Shares</b>	
52,600 Class II Equity Shares of INR 10 each	5,26,000
<b>7% Non-Cumulative Optionally Convertible Redeemable Preference Shares</b>	
1,64,877 7% non-cumulative optionally convertible redeemable preference shares of INR 10 each	16,48,770
<b>Total</b>	<b>32,24,770</b>

\*Prior to sanction of the Scheme:

- (a) The authorized share capital of Transferor Company 1 will be increased by such amount as approved by the board of directors and shareholders' of Transferor Company 1 in accordance with the process prescribed under the Companies Act, 2013;
- (b) Simultaneously with the increase of authorised share capital as set forth above, the authorised share capital of Transferor Company 1 is proposed to be reclassified to accommodate the issuance of preference shares (i.e. the WPL 7% NCRPS) (*as defined hereinafter*); and
- (c) Subject to receipt of approval from the board of directors and shareholders and in accordance with the process prescribed under the Companies Act, 2013, Transferor Company 1 proposes to issue and allot WPL 7% NCRPS (*as defined hereinafter*) (each, a WPL 7% NCRPS Holder) to Gagan Infraenergy Limited, Minerals Management Services (India) Private Limited, YNO Finvest Private Limited, Opelina Sustainable Services Private Limited, Ms. Shallu Jindal, Mr. Naveen Jindal, Ms. Deepika Jindal, Ms. Sminu Jindal and Mr. Rajeev Jain.

#### 1.7 **Terms of securities issued by Transferor Company 1:**

- (a) **Terms of Class II equity shares of INR 10/- each, fully paid up, of the Transferor Company 1 (WPL Class II Equity Shares):**

Holders of WPL Class II Equity Shares are entitled to the following rights:

- (i) priority to the ordinary equity shares, in winding up, rank, as regards repayment of capital and arrears of dividend, whether declared or not, up to the commencement of the winding up;
- (ii) rank for dividend in priority to the ordinary equity shares of the Transferor Company 1. The dividend will be calculated pro-rata i.e. from the date of allotment of the relevant WPL Class II Equity Shares;
- (iii) nil voting rights;
- (iv) no variations/ changes in the terms of issue of WPL Class II Equity Shares can be made except with a resolution/ consent by majority of the holders of WPL Class II Equity Shares; and
- (v) entitled to superior dividend which shall be 50% (fifty percent) over and above the normal rate of dividend as available to the holders of ordinary equity shares.

- (b) **Terms of 7% non-cumulative optionally convertible redeemable preference shares of INR 10/- each, fully paid up, of the Transferor Company 1 (WPL 7% OCRPS) held by Ambitious Asset Private Limited:**

Ambitious Asset Private Limited, as holders of WPL 7% OCRPS are entitled to the following rights:

- (i) priority to the ordinary equity shares, in winding up, rank, as regards repayment of capital and arrears of dividend, whether declared or not, up to the commencement of the winding up;
- (ii) to not participate in the surplus funds, assets and profits, on winding up which may remain after the entire capital has been repaid;
- (iii) rank for dividend in priority to the ordinary equity shares of the Transferor Company 1. The dividend will be calculated on a pro rata basis from the date of allotment of the relevant WPL 7% OCRPS;
- (iv) nil voting rights;
- (v) no variations/ changes in the terms of issue of WPL 7% OCRPS can be made except with a resolution of WPL 7% OCRPS holders;
- (vi) convertible into WPL Class II Equity Shares carrying no voting rights and entitled to superior dividend which shall be 50% (fifty percent) over and above the normal rate of dividend as available to the holders of ordinary equity shares at the option of holder of WPL 7% OCRPS;
- (vii) exercise a put option to redeem the WPL 7% OCRPS after the expiration of 5 (five) years from the date of allotment (and Transferor Company 1 has a call option to redeem the WPL 7% OCRPS after the expiration of 5 (five) years from the date of allotment). The WPL 7% OCRPS are compulsorily redeemable following completion of 10 (ten) years from the date of allotment;
- (viii) any redemption of the WPL 7% OCRPS shall be at such premium which will be the aggregate of the current issue size plus 5% (five percent) per annum calculated on entire issue size up to the date of the redemption; and
- (ix) exercise the option of conversion at any time after 5 (five) years from the date of allotment, pursuant to which the WPL 7% OCRPS will be converted into WPL Class II Equity Shares, at par.

(c) **Terms of WPL 7% OCRPS held by Nalwa Steel and Power Limited:**

Nalwa Steel and Power Limited, as holders of WPL 7% OCRPS are entitled to the following rights:

- (i) priority to the ordinary equity shares, in winding up, rank, as regards repayment of capital and arrears of dividend, whether declared or not, up to the commencement of the winding up;
- (ii) to not participate in the surplus funds, assets and profits, on winding up which may remain after the entire capital has been repaid;

- (iii) rank for dividend in priority to the ordinary equity shares of the Transferor Company 1. The dividend will be calculated on a pro rata basis from the date of allotment of the relevant WPL 7% OCRPS;
  - (iv) nil voting rights;
  - (v) no variations/ changes in the terms of issue of WPL 7% OCRPS can be made except with a resolution of WPL 7% OCRPS holders;
  - (vi) convertible into WPL Class II Equity Shares carrying no voting rights and entitled to superior dividend which shall be 50% (fifty percent) over and above the normal rate of dividend as available to the holders of ordinary equity shares;
  - (vii) exercise a put option to redeem the WPL 7% OCRPS after the expiration of 5 (five) years from the date of allotment (and Transferor Company 1 has a call option to redeem the WPL 7% OCRPS after the expiration of 5 (five) years from the date of allotment). The WPL 7% OCRPS are compulsorily redeemable following completion of 10 (ten) years from the date of allotment;
  - (viii) any redemption of the WPL 7% OCRPS shall be at such premium which will be the aggregate of the current issue size plus 5% (five percent) per annum calculated on entire issue size up to the date of the redemption; and
  - (ix) exercise the option of conversion at any time after 5 (five) years from the date of allotment, pursuant to which the WPL 7% OCRPS will be converted into WPL Class II Equity Shares, at par.
- (d) **Terms of 7% Series III non-cumulative non-convertible redeemable preference shares (WPL 7% NCRPS) to be issued to each WPL 7% NCRPS Holder pursuant to the transaction described under A. 1.5 above:**

WPL 7% NCRPS Holders shall be entitled to the following rights:

- (i) redemption on expiry of 12 (twelve) years from the date of allotment at par;
- (ii) redemption shall either be out of profits available for distribution as dividend or out of proceeds of a fresh issue of shares made for the purpose of redemption or any other manner as permissible under the Act including any statutory modification(s) or re-enactment(s) thereof;
- (iii) the right of redemption shall not create a financial debt and the holder shall not, at any time, claim its right of redemption in respect of the WPL 7% NCRPS as a financial debt either in an insolvency proceeding, insolvency resolution process or in liquidation; and
- (iv) the dividend will be calculated on a pro rata basis from the date of allotment of the relevant WPL 7% NCRPS.

## 2. Description of Transferor Company 2

- 2.1 Transferor Company 2 was incorporated on 2 December 2005 under the Companies Act, 1956 as a private limited company with the Registrar of Companies, Hyderabad under the name 'Malaxmi Power Private Limited', having been allotted the CIN U40101AP2005PLC048264 and with its registered office located at 1-98/5/110, Plot no. 11, 2<sup>nd</sup> Floor, Kavuri Hills, Guttala Begumpet Village, Serilingampally Mandal, Hyderabad, Rangareddi, Telangana – 500033, India. Pursuant to receipt of approval from the Registrar of Companies, Hyderabad, Transferor Company 2 changed its name from 'Malaxmi Power Private Limited' to 'Simhapuri Energy Private Limited' on 6 February 2007. Pursuant to receipt of approval from the Registrar of Companies, Hyderabad, Transferor Company 2 was converted from a private limited company to a public limited company and changed its name from 'Simhapuri Energy Private Limited' to 'Simhapuri Energy Limited' on 21 November 2012. The PAN obtained by Transferor Company 2 is AAECM5097N.
- 2.2 Pursuant to the order of Regional Director (SER), Hyderabad, dated 14 November 2022, the registered office of Transferor Company 2 was changed from the state of Telangana to Tamnar, District Raigarh, Chhattisgarh – 496107, India, and Transferor Company 2 was granted a CIN [●] by Registrar of Companies, Chhattisgarh pursuant to fresh certificate of incorporation dated [●].<sup>3</sup>
- 2.3 Transferor Company 2 is primarily engaged in the business of generation of power, having started its thermal power generation plant at Mommidi Village, Chillakur Mandal, SPSR Nellore District, Andhra Pradesh. Transferor Company 2 currently has installed capacity of 600 MW through two phases (4 units of 150 MW capacity each).
- 2.4 The Unit wise detail of power plants in Transferor Company 2 is as under:

Name	Capacity	Date of commencement of Commercial operation
Unit-1	150 MW	04 May 2012
Unit-2	150 MW	15 July 2012
Unit-3	150 MW	26 Feb 2014
Unit-4	150 MW	31 March 2015
Total of 4 units	600MW	

- 2.5 Transferor Company 2 was actively generating power in all four units until financial year 2016-17, whereas in financial years 2017-18 and 2018-19, only two units made sales at lower output levels. From financial year 2019-20 onwards, Transferor Company 2 had to temporarily suspend commercial production of power solely due to certain extraneous conditions like non-finalization/ renewal of power purchase agreements and other commercial expediencies. Transferor Company 2, however, continued to maintain its units/ assets in a ready to use condition.

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<sup>3</sup> Fresh CIN is awaited and this section will be updated prior to filing the Scheme with the NCLT. Transferor Company 2 has already obtained an order from the Regional Director (SER), Hyderabad, dated 14 November 2022 permitting the change of registered office from the state of Telangana to the state of Chhattisgarh.

- 2.6 In alignment with the vision of the group to expand its presence in the power sector, Transferor Company 2 was acquired by Transferee Company on going concern basis under the provisions of the Insolvency and Bankruptcy Code, 2016. The insolvency resolution process commenced in 2020 and concluded on 29 June 2022 with the approval of the National Company Law Tribunal, Telangana. Post-acquisition by the Transferee Company, substantial efforts have been made to commence production in power units held under Transferor Company 2 and commercial production is expected to restart shortly.

2.7 **Authorised, issued, subscribed and paid-up share capital:**

The authorized, issued, subscribed and paid-up share capital of Transferor Company 2 as on 15 December 2022 is as set forth below:

Particulars	Amount (in INR)
<b>Authorised Share Capital</b>	
3,00,00,00,000 equity shares of INR 10 each	30,00,00,00,000
<b>Total</b>	<b>30,00,00,00,000</b>
<b>Issued, Subscribed and Paid-Up Share Capital</b>	
20,00,00,00,000 equity shares of INR 10 each	2,00,00,00,00,000
<b>Total</b>	<b>2,00,00,00,00,000</b>

3. **Description of Transferee Company**

- 3.1 Transferee Company is a public limited company incorporated under the Companies Act, 1956, with its registered office at Tamnar, Chhattisgarh – 496107, India.
- 3.2 Transferee Company was incorporated on 30 January 1995 with the Registrar of Companies, Chhattisgarh with CIN U04010CT1995PLC008985. The PAN obtained by Transferee Company is AABCJ4683J.
- 3.3 The Transferee Company is a leading power company engaged in the business of generation in the thermal energy spectrum.

The first unit of its 4x250 MW thermal power plant was commissioned in the Raigarh district of Chhattisgarh in 2007, becoming the first private player in the country to set up an independent power plant.

Buoyed by the success of its 4x250 MW plant, it further expanded its presence in Tamnar with a 2,400 MW (4X600 MW) thermal power plant. The completion of 2400 MW expansion project took the installed capacity to 3400 MW. In addition, the Transferee Company has established a 258 km



400 KV double circuit transmission line through which thermal power is transmitted by it into the national grid.

- 3.4 Transferee Company is a wholly owned subsidiary of Transferor Company 1 as the entire beneficial ownership of the Transferee Company is held by Transferor Company 1 along with its nominees.

3.5 **Authorised, issued, subscribed and paid-up share capital:**

The authorized, issued, subscribed and paid-up share capital of Transferee Company as on 15 December 2022 is as set forth below:

Particulars	Amount (in INR)
<b>Authorised Share Capital</b>	
3,00,00,00,000 equity shares of INR 10 each	30,00,00,00,000
9,00,00,00,000 preference shares of INR 10 each	90,00,00,00,000
<b>Total</b>	<b>1,20,00,00,00,000</b>
<b>Issued, Subscribed and Paid-Up Share Capital</b>	
1,34,88,00,000 equity shares of INR 10 each	13,48,80,00,000
4,04,64,00,000 Series I – 5% cumulative, non-convertible redeemable preference shares of INR 10 each	40,46,40,00,000
3,00,88,61,535 Series II – 5% non-cumulative non-convertible redeemable preference shares of INR 10 each	30,08,86,15,350
<b>Total</b>	<b>84,04,06,15,350</b>

3.6 **Terms of securities issued by the Transferee Company:**

- (i) **Terms of Series I – 5% cumulative non-convertible redeemable preference shares of INR 10 each, fully paid up, of the Transferee Company (JPL Series I RPS):**

Holders of the JPL Series I RPS are entitled to the following rights:

- (i) preferential right vis-à-vis ordinary equity shares with respect to payment of dividend and repayment in case of winding up or repayment of capital;
- (ii) to not participate in the surplus funds, assets and profits on winding up, which may remain after the entire capital has been repaid;

- (iii) annual dividend payments shall be on a cumulative basis at the rate of 5% (five percent) per annum, subject to the availability of profits and obtaining consent from the secured lenders of the Transferee Company (the holders of the JPL Series I RPS can waive the right to receive dividend if there is unavailability of profit or upon failure to receive consent from the lenders);
  - (iv) nil voting rights except for resolutions which directly affect the rights of the holders of the JPL Series I RPS, relate to the winding up of the Transferee Company or the repayment or reduction of preference share capital;
  - (v) the holders do not have the right to require redemption of the JPL Series I RPS or the right to require conversion of the JPL Series I RPS into equity shares (except as provided in paragraph (vi) below in respect of redemption);
  - (vi) compulsorily redeemable following completion of 20 (twenty) years from the date of issue at par. Transferee Company has the option to redeem the Series I RPS prior to the expiry of 20 (twenty) years but after the expiry of 15 (fifteen) years provided the Transferee Company has discharged all of its term loan liabilities and overdues of working capital facilities, if any; and
  - (vii) redemption of JPL Series I RPS can be undertaken out of profits available for distribution as dividend or out of proceeds of a fresh issue of shares made for the purpose of redemption or any other manner as permissible under the Act.
- (ii) **Terms of Series II – 5% non-cumulative non-convertible redeemable preference shares of INR 10 each, fully paid up, of the Transferee Company (JPL Series II RPS):**

Holders of the JPL Series II RPS are entitled to the following rights:

- (i) preferential right vis-à-vis ordinary equity shares with respect to payment of dividend and repayment in case of winding up or repayment of capital;
- (ii) to not participate in the surplus funds, assets and profits, on winding up which may remain after the entire capital has been repaid;
- (iii) annual dividend payments shall be on a non-cumulative basis at the rate of 5% (five percent) per annum at the discretion of the Transferee Company, subject to obtaining consent from the secured lenders of the Transferee Company;
- (iv) nil voting rights except for resolutions which directly affect the rights of the holders of JPL Series II RPS, relate to the winding up of the Transferee Company or the repayment or reduction of preference share capital;
- (v) the holders do not have the right to require redemption of the JPL Series II RPS or the right to require conversion of the JPL Series II RPS into equity shares (except as provided in paragraph (vi) below in respect of redemption);

- (vi) compulsorily redeemable following completion of 20 (twenty) years from the date of issue at par. Transferee Company has the option to redeem the JPL Series II RPS prior to the expiry of 20 (twenty) years but after the expiry of 15 (fifteen) years provided the Transferee Company has discharged all of its term loan liabilities and overdues of working capital facilities, if any; and
- (vii) redemption of the JPL Series II RPS can be undertaken out of profits available for distribution as dividend or out of proceeds of a fresh issue of shares made for the purpose of redemption or any other manner as permissible under the Act.

## **B. Rationale of the Scheme**

1. The Transferee Company and the Transferor Companies are engaged in similar businesses. Hence, the respective Board of Directors of the Transferor Companies and the Transferee Company are of the opinion that the Scheme is in each of their company's best interests as well as their respective shareholders, creditors and other stakeholders and will lead to enhanced operational synergies in their business activities.
2. The amalgamation of Transferor Company 1 into Transferee Company would *inter alia* provide the following benefits:
  - 2.1. The Scheme will lead to streamlining of the overall shareholding structure by enabling direct promoter holdings in the operating company i.e. Transferee Company;
  - 2.2. The Scheme will lead to simplification of the overall structure by elimination of related party transactions thereby providing better financial perspective of the power business for the stakeholders;
  - 2.3. The Scheme shall provide greater management focus and speedy decision process;
  - 2.4. The Scheme will lead to reduction in the multiplicity of legal, regulatory and administrative compliances and associated costs; and
  - 2.5. The Scheme shall lead to housing of the power business in the Transferee Company. Owing to the regulatory and operational complexities, the Transferor Company 1 is proposed to be merged in the Transferee Company.
3. The amalgamation of Transferor Company 2 into Transferee Company would *inter alia* provide the following benefits:
  - 3.1. The Scheme will lead to increased operational synergies and controls for the combined power business;
  - 3.2. The Scheme will lead to greater management focus and expedite the decision-making process and provide visibility on the operations and financial performance of the business;

- 3.3. The Scheme will lead to simplification of the operating structure by elimination of related party transactions thereby providing better financial perspective of the power business for the stakeholders;
- 3.4. The Scheme will lead to enhanced leveraging capability of the combined entity through debt or equity; and
- 3.5. The Scheme will lead to reduction in the multiplicity of legal, regulatory and administrative compliances and associated costs.
4. In view of the above, the Scheme will be beneficial and not prejudicial to the interests of the shareholders, creditors and other stakeholders of the Transferor Companies and the Transferee Company. The Boards of Directors of the Transferee Company and the Transferor Companies have accordingly formulated this Scheme pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Act.

**C. Appointed Date and Effective Date**

- 1.1. Each part of the Scheme set out herein in its present form or with any modification(s) or amendment(s) made under Clause 12 of Part V of the Scheme shall, unless otherwise specified, be effective from the relevant Appointed Date, but shall be operational from the Effective Date.
- 1.2. Notwithstanding anything to the contrary contained in this Scheme, for the purposes of Section 232(6) of the Act, the Scheme shall be deemed to come into effect from the relevant Appointed Date and for which purpose, no other date, but the relevant Appointed Date, would be relevant.

**D. Parts of the Scheme**

The Scheme is divided into following five parts:

1. **Part I** – Definitions and Interpretation;
2. **Part II** – Amalgamation of Transferor Company 1 with Transferee Company;
3. **Part III** – Amalgamation of Transferor Company 2 with Transferee Company;
4. **Part IV** – Accounting Treatment; and
5. **Part V** – General Terms and Conditions.

## **PART I**

### **DEFINITIONS AND INTERPRETATION**

**1. Definitions and Interpretation**

In this Scheme, unless repugnant to the meaning or context thereof, (i) terms defined in the Preamble shall have the same meanings throughout this Scheme and (ii) the following words and expressions, wherever used (including in the Preamble), shall have the following meanings:

- 1.1. **Act or the Act** means the Companies Act, 2013 as may be in force at the relevant time and as may be amended, re-enacted and/ or substituted from time to time, including any rules, regulations, notifications and guidelines issued thereunder;
- 1.2. **Amalgamated Undertaking(s)** means and includes the entire business and all of the undertakings of the Transferor Company 1 and/ or the Transferor Company 2 (as the case may be), as a going concern and shall include (without limitation):
  - (i) all assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent, in possession or reversion, of whatsoever nature and wherever situated) of the Transferor Company 1 and/ or the Transferor Company 2 (as the case may be), including underlying movable and immovable properties, investments of all kinds, (other than the investment held by the Transferor Company 1 in Transferee Company), securitized assets, receivables and security receipts, mutual fund investments, all cash and bank balances (including cash and bank balances deposited with any banks or entities), money at call and short notice, loans, advances, contingent rights or benefits, reserves, provisions, funds, benefits of all agreements, bonds, lands, buildings, structures and premises, whether leasehold or freehold (including offices, warehouses, factories) work-in-progress, current assets (including sundry debtors, bills of exchange, loans and advances), fixed assets, vehicles, furniture, fixtures, share of any joint assets, and other facilities;
  - (ii) all permits, registrations, rights, entitlements, licenses, permissions, approvals, subsidies, concessions, clearances, credits, awards, sanctions, allotments, quotas, no-objection certificates, subsidies, tax deferrals, tax credits, other claims under tax laws, incentives (including tax incentives), benefits, tax exemptions, tax refunds (including those pending with any tax authority), advantages, benefits and all other rights and facilities of every kind, nature and description whatsoever, authorities, consents, deposits, privileges, exemptions available to the Transferor Company 1 and/ or the Transferor Company 2 (as the case may be), receivables, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, facsimile connections and installations, utilities, email, internet, leased line connections and installations, electricity and other services, cheques and other negotiable instruments (including post-dated cheques), benefit of assets or properties or other interest held in trust, benefit of any security arrangements, expressions of interest whether under agreement or otherwise, and arrangements and all other interests of every kind nature and description whatsoever enjoyed or conferred upon or held or availed of by and all rights and benefits;
  - (iii) all contracts, agreements, memoranda of undertakings, memoranda of agreements, arrangements, undertakings, whether written or otherwise, deeds, service agreements or other instruments (including all such contracts with customers and vendors, tenancies, and other assurances in favour of Transferor Company 1 and/ or Transferor Company 2 (as the case may be) or powers or authorities granted by or to the Transferor Company 1 and/ or

the Transferor Company 2 (as the case may be)) of whatsoever nature along with any contractual rights and obligations, to which the Transferor Company 1 and/ or the Transferor Company 2 (as the case may be) is a party or to the benefit of which any of the Transferor Company 1 and/ or the Transferor Company 2 (as the case may be) may be eligible;

- (iv) investments in subsidiaries, joint ventures, associate companies and other Persons in India or any jurisdiction outside India (other than the investment held by the Transferor Company 1 in the Transferee Company);
- (v) any license fee/security deposits with any Governmental Authority that may have been paid by the Transferor Company 1 and/ or the Transferor Company 2 (as the case may be);
- (vi) all intellectual property rights including trademarks, trademark applications, trade names, patents, patent applications, copyrights, service names, service marks, logo, domain names, website, internet registrations, designs and other industrial designs and intellectual property of any nature whatsoever including know-how assignments and grants in respect thereof, trade secrets, goodwill and all other interests exclusively, belonging to or utilized for the business, operations, undertakings and/ or activities of the Transferor Company 1 and/ or the Transferor Company 2 (as the case may be);
- (vii) all records, files, papers, computer programs, software licenses, manuals, data, back-up copies, catalogues, drawings, quotations, sales and advertising materials, lists and other details of present and former customers, suppliers and Employees, customer credit information, pricing information, and other records and data whether in physical or electronic form in connection with, relating to belonging to or held by Transferor Company 1 and/ or Transferor Company 2 (as the case may be);
- (viii) all devices including but not limited to all terminal and other equipment, hardware, computers, mobile equipment, servers, machinery, and tools belonging to or utilized for the business, operations, undertakings and/ or activities of the Transferor Company 1 and/ or the Transferor Company 2 (as the case may be);
- (ix) all present and contingent future liabilities of Transferor Company 1 and/ or Transferor Company 2 (as the case may be) including all debts, loans (whether denominated in rupees or a foreign currency), term deposits, time and demand liabilities, borrowings, bills payable, interest accrued and all other duties, liabilities, undertakings and obligations (including any post-dated cheques or guarantees, letters of credit, letters of comfort or other instruments which may give rise to a contingent liability in whatever form);
- (x) all the debts, liabilities, duties and obligations, present and future of the Transferor Company 1 and/ or the Transferor Company 2 (as the case may be) including the contingent liabilities; and
- (xi) all Employees and all of Transferor Company 1 Funds and/ or Transferor Company 2 Funds (as the case may be), if any.

It is intended that the definition of Amalgamated Undertaking would enable the transfer of all business, operations, employees, undertakings, properties, assets, rights, duties and liabilities of the Transferor Company 1 and/ or the Transferor Company 2 (as the case may be) into the Transferee Company pursuant to this Scheme.

- 1.3. **Applicable Law(s)** means any statute, law, regulation, ordinance, rule, judgment, rule of law, order, decree, ruling, by-law, approval of any Governmental Authority, directive, guideline, policy, clearance, requirement or other governmental restriction or any similar form of decision or determination by, or any interpretation or administration having the force of law of any of the foregoing by any Governmental Authority having jurisdiction over the matter in question, whether in effect as of the date of this Scheme or at any time thereafter;
- 1.4. **Appointed Date 1** means 1 June 2022 or such other date as may be approved by the Board of Directors of Transferor Company 1 and Transferee Company or such other date as may be fixed or approved by the NCLT or such other competent authority, being the date from which the provisions of Part II of the Scheme shall become operational;
- 1.5. **Appointed Date 2** means 1 March 2023 or such other date as may be approved by the Board of Transferor Company 2 and Transferee Company or such other date as may be fixed or approved by the NCLT or such other competent authority, being the date from which the provisions of Part III of the Scheme shall become operational immediately after giving effect to the amalgamation of Transferor Company 2 with Transferee Company as set out in Part III of the Scheme;
- 1.6. **Appointed Date** means (i) Appointed Date 1 in the context of Transferor Company 1; and (ii) Appointed Date 2 in the context of Transferor Company 2;
- 1.7. **Board of Directors** or **Board** in relation to Transferor Company 1, Transferor Company 2 or Transferee Company (as the case may be) means the respective board of directors of such company, and shall include any committee(s) duly constituted and authorized or individuals authorized for the purposes of matters pertaining to the amalgamation, this Scheme and/ or any other matter relating thereto;
- 1.8. **Clause** and **Sub Clause** means relevant clauses or sub clauses set out in the Scheme;
- 1.9. **Effective Date** means the last of the dates on which all the conditions, matters and filings referred to in Clause 8 of Part V of the Scheme have been fulfilled or waived as applicable, in accordance with this Scheme. Any references in this Scheme to the “date of coming into effect of this Scheme” or “effectiveness of the Scheme” or “date of taking effect” shall mean the Effective Date;
- 1.10. **Employees** means all the permanent employees of the Transferor Company 1 and/ or the Transferor Company 2 (as the case may be) who are on their respective pay-rolls, including employees/ personnel engaged on a contract basis and contract labourers, trainees, apprentices and interns (in each case, subject to and limited by the existing terms of engagement) as on the Effective Date;
- 1.11. **Encumbrance** means any mortgage, pledge, equitable interest, assignment by way of security, conditional sales contract, hypothecation, right of other persons, claim, security interest, encumbrance, title defect, title retention agreement, voting trust agreement, interest, option, lien,

charge (whether fixed or floating), commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same; a contract to give or refrain from giving any of the foregoing; any voting agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any person; and any adverse claim as to title, possession or use and the terms “Encumber” and “Encumbered” shall be construed accordingly;

- 1.12. **Governmental Authority(ies)** means (i) the government of India; (ii) any entity, authority or body exercising executive, legislative, judicial, regulatory, or administrative functions or pertaining to government, including any government owned industrial development body, governmental authority, quasi-governmental authority, local or other authority or body, agency, department, board, commission or instrumentality, or any subdivision thereof, any statutory body or commission to the extent that the rules, regulations and standards, requirements, procedures or orders of such entity, authority or body having the force of Applicable Law; (iii) any court, tribunal or judicial body; and (iv) any securities exchange or body or authority regulating such securities exchange;
- 1.13. **INR** means Indian Rupee;
- 1.14. **IT Act** means the Income Tax Act, 1961 as may be in force at the relevant time and as may be amended and/ or substituted from time to time, including any rules, regulations, notifications and guidelines issued thereunder;
- 1.15. **Liabilities** means all debts and liabilities of the Transferor Company 1 and/ or the Transferor Company 2 (as the case may be), including, all secured and unsecured debts (in whatsoever currency), liabilities (including contingent liabilities), duties and obligations of the Transferor Company 1 and/ or the Transferor Company 2 (as the case may be) of every kind, nature and description whatsoever whether present or future, and howsoever arising, along with any charge, Encumbrance, lien or security thereon;
- 1.16. **National Company Law Tribunal** or **NCLT** or **The Tribunal** means the bench of the Hon’ble National Company Law Tribunal situated at Cuttack or any other relevant bench of the Hon’ble National Company Law Tribunal constituted under Section 408 read with Section 419 of the Act, having jurisdiction over Transferor Company 1, Transferor Company 2 and Transferee Company to sanction the Scheme;
- 1.17. **National Company Law Appellate Tribunal** or **NCLAT** means the principal bench of the Hon’ble National Company Law Appellate Tribunal situated at New Delhi constituted under Section 410 of the Act, having jurisdiction over appeals against the orders of the NCLT;
- 1.18. **Record Date** means the date fixed by the Board of Directors of the Transferee Company or any committee thereof, and the Board of Directors of Transferor Company 1, for the purpose of determining names of the members or holders of Existing NCDs who shall be entitled to receive equity shares preference shares or New NCDs (as applicable) in the Transferee Company pursuant to Section B of Part II of the Scheme, upon effectiveness of this Scheme;



- 1.19. **Registrar of Companies** or **ROC** means the Registrar of Companies, Chhattisgarh;
- 1.20. **Scheme** or **the Scheme** or **this Scheme** means this Composite Scheme of Amalgamation in its present form as submitted to the NCLT with any modification(s) made under Clause 12 of Part V of the Scheme as approved or directed by the NCLT or such other competent authority, as may be applicable;
- 1.21. **SEBI** means Securities and Exchange Board of India;
- 1.22. **SEBI Listing Regulations** shall mean collectively the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2022 read with the circular (SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2022/156) dated 17 November 2022 and clarification circular (SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2022/170) dated 09 December 2022 issued by SEBI;
- 1.23. **Tax** or **Taxes** means any and all taxes (direct or indirect), surcharges, fees, levies, cess, duties, tariffs, imposts and other charges of any kind in each case in the nature of the foregoing, imposed by any Governmental Authority (whether payable directly or by withholding), including income tax, taxes on windfall or other profits, gross receipts, property, sales, severance or branch profits, customs duties, excise, central value added tax (CENVAT), withholding tax, self-assessment tax, advance tax, service tax, central goods and services tax (CGST), state goods and service tax (SGST), integrated goods and service tax (IGST), stamp duty, transfer tax, value-added tax (VAT), minimum alternate tax (MAT), securities transaction tax, and registration fees (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto); and
- 1.24. **Transferor Companies** means collectively, Transferor Company 1 and Transferor Company 2.

## 2. **Interpretation**

- 2.1. 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, bye-laws, (as the case may be) or any statutory modification or re-enactment thereof for the time being in force.
- 2.2. In this Scheme (unless the context otherwise requires):
- (i) a reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;
  - (ii) the singular shall include the plural and vice versa, and references to one gender shall include all genders;
  - (iii) the headings are inserted for convenience only and shall not affect the construction of this Scheme;

- (iv) the word “including” means “including without limitation” and the words “include” or “includes” have similar meanings;
- (v) references to a “person” or “Person” include any individual, firm, joint-venture, body corporate (whether or not incorporated), trust, government, state or agency of a state or any joint venture, association, partnership, works council, Employee representatives’ body or Governmental Authority (whether or not having a separate legal personality); and
- (vi) reference to any statute or any statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment (after the execution date) for the time being in force, as well as any subordinate legislation made from time to time under such statute.

### **3. Compliance with Tax law**

- 3.1. Apart from meeting the commercial and business interest of the parties as specified hereinbefore, this Scheme is 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 IT Act. If any terms and conditions 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 amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the IT Act shall prevail.
- 3.2. Amalgamation of Transferor Company 1 and/ or the Transferor Company 2 (as the case may be) with the Transferee Company pursuant to this Scheme shall be tax neutral, if conditions specified in Section 2(1B) of IT Act are complied.

## **PART II**

### **AMALGAMATION OF TRANSFEROR COMPANY 1 WITH TRANSFeree COMPANY**

#### **A. Transfer and Vesting**

1. Upon the Scheme coming into effect, and with effect from the Appointed Date 1, the entire Amalgamated Undertaking of the Transferor Company 1 shall stand vested in the Transferee Company, as a going concern, so as to become the undertaking of the Transferee Company, without the requirement for any further act, instrument, deed, matter or thing.

#### **2. Vesting of Assets**

- 2.1. Without prejudice to the generality of Clause 1, Section A of Part II of the Scheme above, upon the Scheme becoming effective and with effect from the Appointed Date 1, all the estate, tangible and intangible assets (including but not limited to brands, trademarks, patents, designs and copyrights), properties, rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Amalgamated Undertaking of the Transferor Company 1 of whatsoever nature and where so ever situated shall, pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Laws, if any, and without any further act or deed, stand transferred to and vested in the Transferee Company.
- 2.2. Without limitation, upon the Scheme becoming effective and with effect from the Appointed Date 1, all the immovable properties (whether freehold or leasehold or licensed or otherwise and all documents of title, rights and easements in relation thereto), together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company 1 including floor space index, transferable development rights shall, pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Laws, if any, and without any further act, instrument or deed, stand transferred to and be vested in the Transferee Company, as a going concern. Without prejudice to the aforesaid, the Transferee Company shall be entitled to and exercise all rights and privileges attached to the immovable properties and shall be liable to pay ground rent, Taxes and to fulfil all obligations in relation to or applicable to such immovable properties. The Transferee Company shall under the provisions of this Scheme be deemed to be authorized to execute, if required, such instruments, deeds and writing on behalf of the Transferor Company 1 and to implement or carry out all such procedures or compliances to give effect to the provisions of this Scheme. The mutation of the title to the immovable properties shall be made and duly recorded with the appropriate Governmental Authorities upon the Scheme becoming effective, in accordance with the terms hereof, in favour of the Transferee Company. Any inchoate title or possessory title of the Transferor Company 1 shall be deemed to be the title of the Transferee Company. For the avoidance of doubt, it is clarified that the Transferee Company shall be entitled to execute such deeds, agreements, conveyance and/ or documents as may be required to ensure mutation of the title to the immovable properties belonging to the Transferor Company 1 in favour of the Transferee Company by the appropriate Governmental Authorities upon the Scheme becoming effective.

- 2.3. Without prejudice to the provisions of Clause 2.1 and 2.2, Section A of Part II of the Scheme above, upon the Scheme becoming effective, all movable property or incorporeal property or property otherwise capable of vesting or transfer by delivery or possession, or by endorsement and/ or delivery shall, pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Laws, if any, and without any further act, deed or notification or instrument of conveyance, cost or charge and without any notice or other intimation to any third party for the transfer of the same, stand transferred to and vested in the Transferee Company.
- 2.4. In respect of the assets and properties belonging to the Transferor Company 1 (other than those referred to in Clause 2.1, 2.2 and 2.3, Section A of Part II of the Scheme above) including sundry debtors, receivables, refunds, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments (other than the investment held by the Transferor Company 1 in Transferee Company), earnest money and deposits with any Governmental Authority or with any company or other person, the same shall, pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Laws, if any, and without any further act, deed or notification or instrument of conveyance, stand transferred to and vested in the Transferee Company.
- 2.5. All other assets, rights, title, interest, investments (other than the investment held by the Transferor Company 1 in Transferee Company) and properties of the Transferor Company 1 as on the Appointed Date 1, whether or not included in their respective books, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Company 1 on or after the Appointed Date 1 but prior to the Effective Date, shall, pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Laws, if any, and without any further act, deed or notification or instrument of conveyance, stand transferred to and vested in the Transferee Company.
- 2.6. All the profits or Taxes (including advance tax, tax deducted at source, foreign tax credits and minimum alternative tax credit entitlement (MAT Credit), tax losses, unabsorbed depreciation, indirect tax credits or refunds due, existing or future incentives, un-availed credits and exemptions, goods and services tax (GST) set off or any costs, charges, expenditure accruing to the Transferor Company 1) or expenditure or losses arising or incurred or suffered by the Transferor Company 1 shall for all purposes be treated and be deemed to be and accrue as the profits, Taxes (indirect tax credits or refunds due, GST set off, or any costs, charges, expenditure or losses of the Transferee Company, as the case may be) upon the coming into effect of this Scheme and with effect from the Appointed Date 1 pursuant to the provisions of Sections 230 to 232 of the Act.
- 2.7. Upon the Scheme becoming effective and with effect from the Appointed Date 1, all the profits and income accruing or arising to the Transferor Company 1 or expenditure or losses arising or incurred (including the effect of Taxes, if any, thereon) by the Transferor Company 1 shall, for all purposes, be treated and deemed to be and accrue as the profits or income or expenditure or losses or Taxes of the Transferee Company (as the case may be). It is clarified that all assets and receivables, whether contingent or otherwise, of the Transferor Company 1, whether provided for or not in their books of account and all other assets or receivables which may accrue or arise shall be deemed to be the assets and receivables or otherwise, as the case may be, of the Transferee Company.

- 2.8. All the permissions, approvals, consents, licenses, powers, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions, goodwill and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges (including tax benefits and exemptions) and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests enjoyed or conferred upon or held or availed of by the Transferor Company 1 and all rights and benefits that have accrued or which may accrue to the Transferor Company 1, (whether recorded in the books of accounts or not), including tax benefits, tax losses, tax refunds, tax credits, MAT credits and exemptions, shall, pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Laws, if any, and without any further act, deed or notification or instrument of conveyance stand transferred to and vested in 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 regard.

### **3. Bank Accounts**

- 3.1. For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of the bank accounts of the Transferor Company 1 has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company 1 in the name of Transferor Company 1 in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment, which are in the name of Transferor Company 1, after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. The Transferee Company shall be allowed to maintain bank accounts in the name of the Transferor Company 1 for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company 1. To the extent such collection is made in the name of any of the Transferor Company 1, it shall also without any further act or deed be and stand transferred to the Transferee Company. It is hereby expressly clarified that any legal proceedings by or against Transferor Company 1, in relation to the cheques or other negotiable instruments, payment orders received (as the case may be) shall be continued by or against the Transferee Company after the coming into effect of this Scheme.

### **4. Contracts, Deeds, etc.**

- 4.1. All the inter-se contracts solely between the Transferor Company 1 and the Transferee Company shall stand cancelled and cease to operate from Effective Date, and appropriate effect shall be given to such cancellation and cessation of such contracts in the books of accounts and records of the Transferee Company. For avoidance of doubt, it is hereby clarified that there will be no accrual of income or expense or interest or any other charges on account of any such inter-se transactions in the nature of sale or transfer of goods, material or services or deposits or balances between the Transferor Company 1 and the Transferee Company.
- 4.2. Upon the coming into effect of this Scheme and with effect from Appointed Date 1, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements,

insurance, letters of intent, undertaking, policies including licenses, lease arrangements/agreements and other instruments of whatsoever nature, to which Transferor Company 1 is a party or to the benefit of which the Transferor Company 1 may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect against or in favour of (as the case may be) the Transferee Company, subject to such requirements as may be stipulated in such contracts, and may be enforced as fully and effectually as if, instead of Transferor Company 1, the Transferee Company had been a party or beneficiary or obligor thereto or thereunder.

- 4.3. Without prejudice to the other provisions of this Scheme and notwithstanding that vesting of the Amalgamated Undertaking of the Transferor Company 1 occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any Applicable Laws or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company 1 is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, after the Effective Date, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company 1 and to carry out or perform all such formalities or compliances referred to above on part of the Transferor Company 1 to be carried out or performed.
- 4.4. Without prejudice to the generality of the foregoing, upon the Scheme becoming effective and with effect from the Appointed Date 1, all certificates, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company 1 shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.
- 4.5. Upon the Scheme becoming effective and with effect from the Appointed Date 1, all insurance policies, if any, registered in the name of the Transferor Company 1 shall, pursuant to the sanction of this Scheme by the NCLT and under the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and/ or deemed to have been transferred to and vested in and be available to the benefit of the Transferee Company and accordingly the name of the Transferee Company shall be recorded in all the insurance policies existing in the name of the Transferor Company 1.

## **5. Transfer and Vesting of Liabilities**

- 5.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date 1, all Liabilities of Transferor Company 1 shall, pursuant to the sanction of this Scheme by the NCLT and under the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in the Transferee Company, to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date 1, the Liabilities of the Transferee Company on the same terms and conditions as were applicable to Transferor Company 1, and the Transferee

Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is 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 5.1, Section A of Part II of the Scheme, unless otherwise specifically required.

- 5.2. Where any such debts, Liabilities, duties and obligations of any of the Transferor Company 1 as on the Appointed Date 1 have been discharged by Transferor Company 1 on or after the Appointed Date 1 and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.
- 5.3. Upon the coming into effect of this Scheme and with effect from the Appointed Date 1, all loans raised and utilized and all Liabilities, duties and obligations incurred or undertaken by the Transferor Company 1 shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Laws, if any, and without any further act, deed or instrument of conveyance or transfer or assignment stand transferred to and vested in the Transferee Company and shall become the loans and Liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 5.4. Upon coming into effect of this Scheme and with effect from the Appointed Date 1, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due between the Transferor Company 1 and the Transferee Company, shall stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations amongst the Transferor Company 1 and the Transferee Company with effect from the Appointed Date 1.
- 5.5. Upon the Scheme becoming effective, the secured creditors of Transferor Company 1 shall be entitled to security only in respect of the properties, assets, rights, benefits and interest as existing immediately prior to the amalgamation of Transferor Company 1 with the Transferee Company. It is hereby clarified that pursuant to the amalgamation of Transferor Company 1 with the Transferee Company (merger by absorption), the secured creditors of Transferor Company 1 shall not be entitled to any further security over the properties, assets, rights, benefits and interest of the Transferee Company, and hence such assets which are not currently encumbered shall remain free and available for creation of any security thereon in the future in relation to any new indebtedness that may be incurred by the Transferee Company after the sanction of the Scheme. For this purpose, no further consent from the existing secured creditors shall be required and sanction of the Scheme shall be considered as a specific consent towards the same.
- 5.6. The present Scheme is not a Scheme of compromise or arrangement with the creditors of Transferor Company 1, or the Transferee Company and the Scheme will not affect the rights of the creditors as all the creditors will be paid in full as and when their respective amounts fall due in the usual course of business by the Transferee Company.

## **6. Encumbrances**

- 6.1. The transfer and vesting of the assets and liabilities comprised in the Amalgamated Undertaking of the Transferor Company 1 to the Transferee Company under Clause 2, Clause 3, Clause 4 and Clause 5, Section A of Part II of the Scheme shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided.
- 6.2. Upon the coming into effect of this Scheme and with effect from the Appointed Date 1, all Encumbrances, over the assets of the Transferor Company 1 shall, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached, provided that if any of the assets of the Transferor Company 1 have not been Encumbered, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.
- 6.3. Any reference in any security documents or arrangements to the Transferor Company 1 and their respective assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company 1 transferred to the Transferee Company by virtue of this Scheme and shall not extend to any of the assets or to any of the other units or divisions of the Transferee Company unless otherwise expressly provided. Without prejudice to the foregoing provisions, the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/ or modification(s) of charge, with the relevant Registrar of Companies to give formal effect to the above provisions, if required.
- 6.4. Upon the coming into effect of this Scheme, the Transferee Company shall be liable to perform all obligations in respect of the Liabilities of the Transferor Company 1, which have been transferred to it in terms of this Scheme. Notwithstanding anything contained in this Clause 6, any obligation or covenant of the Transferor Company 1 to create any security or otherwise Encumber any of its assets or properties (including but not limited to the requirement to create or amend the debt reserve requirements in accordance with any existing agreements entered into by the Transferor Company 1 with its secured creditors or debenture trustee(s), as the case may be) in the future, shall upon sanction of the Scheme, vest with and become valid and effective obligations or covenants of the Transferee Company.
- 6.5. It is expressly provided that, save as herein provided, no other term or condition of the Liabilities of the Transferor Company 1 transferred to the Transferee Company is amended by virtue of this Scheme except to the extent that such amendment is required under Applicable Law.
- 6.6. Subject to necessary consents being obtained, if required, the provisions of this Clause 6, Section A of Part II of the Scheme shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/ or superseded by the foregoing provisions.



## 7. **Employees of Transferor Company 1**

- 7.1. Upon this Scheme becoming effective, all Employees of the Transferor Company 1 as on the Effective Date, shall be deemed to have become Employees of the Transferee Company without interruption of service or break in service as a result of the amalgamation of the Transferor Company 1 with the Transferee Company (merger by absorption) and on the basis of continuity of service with reference to the Transferor Company 1 from the Appointed Date 1 or their respective joining date, whichever is later on the same terms and conditions and shall not be less favourable than those on which they are engaged by Transferor Company 1. The services of such Employees with the Transferor Company 1 up to the Effective Date shall be taken into account for the purpose of all benefits to which the Employees may be eligible under the Applicable Laws. For the purpose of payment of any compensation, gratuity and other terminal benefits, the uninterrupted past service of such Employees with the Transferor Company 1 and such benefits to which the Employees are entitled in Transferor Company 1 shall also be taken into account and paid (as and when payable) by the Transferee Company.
- 7.2. Upon this Scheme becoming effective, all contributions to funds and schemes in respect of provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of the Employees, if any, made by any of the Transferor Company 1, shall be deemed to be made by the Transferee Company in accordance with the provisions of such schemes or funds and Applicable Law.
- 7.3. It is clarified that save as expressly provided for in this Scheme, the Employees who become the Employees of the Transferee Company by virtue of this Scheme, shall be entitled to the employment policies and shall be entitled to avail of any schemes and benefits (including employee stock options, if any) that may be applicable and available to any of the other Employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other Employees of the Transferee Company), unless otherwise determined by the Transferee Company from the Effective Date (other than in respect of Employees on contract basis, contract labourers, interns, trainees or apprentices who shall continue to remain subject to and limited by the terms of their prior engagement with the Transferor Company 1, which shall be taken up by the Transferee Company). The Transferee Company undertakes to continue to abide by any agreement/ settlement, if any, entered into or deemed to have been entered into by the Transferor Company 1 with their respective Employees.
- 7.4. Insofar as the provident fund, gratuity fund, superannuation fund, retirement fund and any other funds or benefits created by the Transferor Company 1 for their respective Employees or to which any of the Transferor Company 1 is contributing for the benefit of its Employees (collectively referred to as the **Transferor Company 1 Funds**) are concerned, the Transferor Company 1 Funds or such part thereof as relates to the Employees (including the aggregate of all the contributions made to such Transferor Company 1 Funds for the benefit of the Employees, accretions thereto and the investments made by the Transferor Company 1 Funds in relation to the Employees) shall be transferred to the Transferee Company and shall be held for the benefit of the concerned Employees. If the Transferee Company has its own funds in respect of any of the employee benefits referred to above, such funds shall, subject to the necessary approvals and permissions and at the

discretion of the Transferee Company, be merged with the relevant Transferor Company 1 Funds upon the coming into effect of this Scheme.

- 7.5. In relation to those Employees for whom the Transferor Company 1 are making contributions to the government provident fund or other employee benefit fund, the Transferee Company shall stand substituted for Transferor Company 1, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Employees, such that all the rights, duties, powers and obligations of the Transferor Company 1 in relation to such schemes/ Transferor Company 1 Funds shall become those of the Transferee Company upon the coming into effect of this Scheme.

## **8. Legal, Taxation and other Proceedings**

- 8.1. Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company 1 pending on the Effective Date shall be continued and/ or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted by or against the Transferee Company.
- 8.2. If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company 1 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 shall be continued, prosecuted and enforced by or against 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 Transferor Company 1 as if this Scheme had not been made.
- 8.3. In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against Transferor Company 1, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of Transferee Company.

## **9. Vesting of estates, rights, titles, control**

Subject to foregoing Clauses of the Scheme, upon the coming into effect of this Scheme and with effect from Appointed Date 1, all estates, rights, title, control, enjoyment, benefit interests and authorization accrued to and/ or acquired by the Transferor Company 1 shall be deemed to have been accrued to and/or acquired for and on behalf of the Transferee Company, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to the extent and shall become the estates, assets, rights, title, interests and authorization of the Transferee Company which shall meet, discharge and satisfy the same.

## **10. Vesting of intellectual property rights**

- 10.1. Upon the coming into effect of this Scheme and with effect from Appointed Date 1, all intellectual property rights, exclusively pertaining to Transferor Company 1, if any, shall stand vested in the Transferee Company without any further act, instrument or deed.

10.2. Upon the coming into effect of this Scheme:

- (i) all books, records, files, papers, engineering and process information, manuals, data, databases including databases for production, procurement, commercial and management, catalogues, quotations, advertising materials, if any, customer credit information, customer pricing information, lists of present and former clients/ customers/ suppliers, whether in physical or electronic form, pertaining to the Transferor Company 1, to the extent possible and permitted under Applicable Law, be handed over by the Transferor Company 1 to the Transferee Company;
- (ii) all rights to use and avail telephones, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company 1 and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company 1, shall stand vested in Transferee Company; and
- (iii) all experience, past track record, qualification criteria and credentials of the Transferor Company 1 vis-à-vis Amalgamated Undertaking in relation to eligibility, standing, evaluation and participation in existing and future bids, tenders and contracts with various customers, Governmental Authorities, agencies, departments, clients, etc., shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes.

**B. Consideration**

**1. Details of equity securities to be issued**

- 1.1. Upon the date of coming into effect of this Scheme and in consideration of the transfer and vesting of the Transferor Company 1 in the Transferee Company, the Transferee Company shall, without any further act or deed or instrument, issue and allot to the equity and preference shareholders of Transferor Company 1, whose names appear in the register of members of the Transferor Company 1 on the Record Date (at the sole option of the equity or preference shareholders of the Transferor Company 1) as follows, on a proportionate basis (**Share Exchange Ratio**) (these values are subject to modification on the basis of the actual issuance and confirmation from the Board of Directors):

- (i) 2,29,666 (two lakh twenty nine thousand six hundred sixty six) ordinary equity shares of Transferee Company having face value of INR 10/- (Rupees Ten) fully paid up (JPL Equity Shares) for every 100 (one hundred) ordinary equity shares of Transferor Company 1 of face value of INR 10/- (Rupees Ten) each fully paid up (WPL Equity Shares) or 9,78,241 (nine lakh seventy eight thousand two hundred and forty one) 6.5% non cumulative optionally convertible redeemable preference shares of the Transferee company of INR 10/- (Rupees Ten) each fully paid up (JPL 6.5% OCRPS) for every 100 (hundred) WPL Equity Shares;

- (ii) 2,08,788 (two lakh eight thousand seven hundred and eighty eight) JPL Equity Shares for every 100 (one hundred) WPL Class II Equity Shares of Transferor Company 1 of INR 10/- each fully paid up or 8,89,310 (eight lakh eighty nine thousand three hundred ten) JPL 6.5% OCRPS for every 100 (one hundred) WPL Class II Equity Shares;
  - (iii) 2,21,872 (two lakh twenty one thousand eight hundred seventy two) JPL Equity Shares for every 100 (one hundred) WPL 7% OCRPS held by Ambitious Asset Private Limited, or 9,45,042 (nine lakh forty five thousand forty two) JPL 6.5% OCRPS of the Transferee Company for every 100 (one hundred) WPL 7% OCRPS held by Ambitious Asset Private Limited;
  - (iv) 48,043 (forty eight thousand forty three) JPL Equity Shares for every 100 (one hundred) WPL 7% OCRPS held by Nalwa Steel and Power Limited or 2,04,633 (two lakh four thousand six hundred thirty three) JPL 6.5% OCRPS for every 100 (one hundred) WPL 7% OCRPS held by Nalwa Steel and Power Limited;
  - (v) 1 (one) 7% Series III non cumulative redeemable preference shares of Transferee Company having face value of INR 10/- (Rupees Ten) each fully paid up (JPL 7% Series III NCRPS) may be issued for every 1 (one) WPL 7% NCRPS.
- 1.2. The Board of Directors of the Transferor Company 1 and the Transferee Company have taken into account the recommendations of the Share Exchange Ratio received from Mukesh Chand Jain, IBBI Registered Valuer and relying on the same, have concluded that the Share Exchange Ratio is fair and reasonable.
  - 1.3. The issue and allotment of the JPL Equity Shares or JPL 6.5% OCRPS or JPL 7% Series III NCRPS (as the case may be) shall be in accordance with the provisions of the memorandum of association and articles of association of the Transferee Company and in compliance with the Applicable Laws.
  - 1.4. The issue and allotment of the JPL Equity Shares or JPL 6.5% OCRPS or JPL 7% Series III NCRPS (as the case may be) by the Transferee Company, as provided in this Scheme, is an integral part of the Scheme, and shall be deemed to have been carried out without any further act or deed by the Transferee Company as if the procedure laid down under Sections 42, 62 and 55 of the Act and any other applicable provisions of the Act were duly complied with.
  - 1.5. Upon issue and allotment of equity shares or preference shares, as the case may be, to the shareholders of Transferor Company 1 in accordance with Clause 1.1 above, the investments held by Transferor Company 1 in the share capital of the Transferee Company shall, without any further application, act or instrument or deed, stand substituted. On and from such allotment of equity shares and preference shares, as the case may be, by the Transferee Company to the shareholders of the Transferor Company 1, the investments held by Transferor Company 1 in the share capital of the Transferee Company (including equity and preference shares) shall stand extinguished.
  - 1.6. It is confirmed that JPL Equity Shares or JPL 6.5% OCRPS or JPL 7% Series III NCRPS (as the case may be) issued to the shareholders of Transferor Company 1 are not proposed to be issued or held by any non-residents, and any securities issued shall be in accordance with the provisions of

the Foreign Exchange Management Act, 1999 and the applicable rules and regulations made thereunder.

- 1.7. If any consolidation, stock split, sub division, reorganization, reclassification or other similar action in relation to the share capital of the Transferor Company 1 or the Transferee Company, that occurs after the date of approval of the Scheme by the Board of Directors of the Transferor Company 1 and the Transferee Company respectively, and on or before the Effective Date, the Share Exchange Ratio shall be subject to equitable adjustments determined by the Board of Directors of the Transferor Company 1 and the Transferee Company respectively.

## 2. **Details of non-convertible debentures**

- 2.1. Pursuant to the information memorandum dated 18 May 2022 and 20 May 2022 and subject to appropriate corporate authorizations, Transferor Company 1 issued and allotted various series and tranches of non-convertible debentures each with a face value of INR 10,00,000 (Rupees Ten Lakhs), as set forth below (collectively referred to as **Existing NCDs**):

- (i) Series I: 4,000 (four thousand) secured, listed, rated, non-convertible debentures aggregating up to INR 400,00,00,000 (Rupees Four Hundred Crores);
- (ii) Series II: 6,350 (six thousand three hundred and fifty) secured, listed, rated, non-convertible debentures aggregating up to INR 635,00,00,000 (Rupees Six Hundred Thirty Five Crores);
- (iii) Series III: 2,000 (two thousand) secured, listed, rated, non-convertible debentures aggregating up to INR 200,00,00,000 (Rupees Two Hundred Crores);
- (iv) Series IV: 10,105 (ten thousand one hundred and five) secured, listed, rated, non-convertible debentures aggregating up to INR 10,10,50,00,000 (Rupees One Thousand Ten Crores and Fifty Lakhs); and
- (v) Market Linked Debentures: 2,545 (two thousand five hundred and forty five) redeemable, rated, listed, secured, principal protected, market linked non-convertible debentures aggregating up to INR 254,50,00,000 (Rupees Two Hundred Fifty Four Crores and Fifty Lakhs).

As on the date of filing the Scheme, the Existing NCDs are listed on the BSE.

- 2.2. The terms of each series of Existing NCDs are set forth as Annexure I herewith.
- 2.3. Upon the date of coming into effect of the Scheme, the Transferee Company shall, without any further act or deed or instrument, issue and allot same number of non-convertible debentures of face value of INR 10,00,000 (Rupees Ten Lakhs) each to the holders of Existing NCDs as on the Record Date in lieu of the Existing NCDs held by them in the Transferor Company 1 (New NCDs).

It is hereby clarified that the New NCDs to be issued to the holders of the Existing NCDs pursuant to this Clause 2.3, Section B of Part II of the Scheme shall be issued at no less favourable terms than that of the Existing NCDs.

- 2.4. The New NCDs to be issued to the holders of the Existing NCDs pursuant to Clause 2.3, Section B of Part II of the Scheme above shall be subject to the memorandum of association and articles of association of the Transferee Company and in compliance with the Applicable Laws, rules and regulations of the SEBI and requirements of the BSE (where such non-convertible debentures shall be listed).
- 2.5. The issue and allotment of the non-convertible debentures to the holders of the Existing NCDs pursuant to Clause 2.3, Section B of Part II of the Scheme above is an integral part of the Scheme, and shall be deemed to have been carried out without any further act or deed by the Transferee Company as if the procedure laid down under Sections 42 and 71 of the Act and any other applicable provisions of the Act and/ or other Applicable Laws were duly complied with.
- 2.6. Prior to submission of the Scheme with the NCLT, Transferor Company 1 has filed the Scheme with the BSE for the purpose of disclosure as required in terms of the SEBI Circular dated 9 December 2022 (SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2022/170).

3. **Terms of preference shares issued by the Transferee Company pursuant to the Scheme**

3.1. **Terms of JPL 7% Series III NCRPS**

The holders of JPL 7% Series III NCRPS, which are to be issued upon the date of coming into effect of the Scheme, are entitled to the following rights:

- (i) redemption on expiry of 12 (twelve) years from the date of allotment at par;
- (ii) redemption shall either be out of profits available for distribution as dividend or out of proceeds of a fresh issue of shares made for the purpose of redemption or any other manner as permissible under the Act including any statutory modification(s) or re-enactment(s) thereof;
- (iii) the right of redemption shall not create a financial debt and the holder shall not, at any time, claim its right of redemption in respect of the JPL 7% Series III NCRPS as a financial debt either in an insolvency proceeding, insolvency resolution process or in liquidation; and
- (iv) the dividend will be calculated on a pro rata basis from the date of allotment of the relevant JPL 7% Series III NCRPS.

3.2. **Terms of JPL 6.5% OCRPS**

The holders of JPL 6.5% OCRPS, which are to be issued upon the date of coming into effect of the Scheme, are entitled to the following rights:

- (i) redemption on expiry of 12 (twelve) years from the date of allotment at par and shall not be redeemed prior to that;
- (ii) redemption shall be at par and conversion shall be basis fair value of the Transferee Company at the time when it is opted for conversion basis last available balance sheet;

- (iii) redemption shall either be out of profits available for distribution as dividend or out of proceeds of a fresh issue of shares made for the purpose of redemption or any other manner as permissible under the Act including any statutory modification(s) or re-enactment(s) thereof;
- (iv) the right of redemption shall not create a financial debt and the holder shall not, at any time, claim its right of redemption in respect of the JPL 6.5% OCRPS as a financial debt either in an insolvency proceeding, insolvency resolution process or in liquidation; and
- (v) the dividend will be calculated on a pro rata basis from the date of allotment of the relevant JPL 6.5% OCRPS.

#### **4. Other conditions**

- 4.1. No fractional shares or preference shares or debentures shall be issued by the Transferee Company. Fractional entitlements, if any, arising shall be rounded off to the nearest integer. A fraction of less than half shall be rounded down to the nearest lower integer and a fraction of half or more shall be rounded up to the nearest highest integer.
- 4.2. The ordinary equity shares, preference shares or non-convertible debentures (as the case may be) issued by the Transferee Company pursuant to Clauses 1, 2 and 3, Section B of Part II of the Scheme above, shall be issued in dematerialized form. The register of members / debenture holders (as the case may be) maintained by the Transferee Company and/ or, other relevant records, whether physical or electronic form, maintained by the Transferee Company, the relevant depository and registrar and transfer agent in terms of Applicable Laws, shall be updated to reflect the issue of ordinary equity shares or preference shares or non-convertible debentures (as the case may be) by the Transferee Company in terms of this Scheme.

## **PART III**

### **AMALGAMATION OF TRANSFEROR COMPANY 2 WITH TRANSFeree COMPANY**

#### **A. Transfer and Vesting**

1. Upon the Scheme coming into effect, and with effect from the Appointed Date 2, the entire Amalgamated Undertaking of the Transferor Company 2 shall stand vested in the Transferee Company, as a going concern, so as to become the undertaking of the Transferee Company, without the requirement for any further act, instrument, deed, matter or thing.
- 1.2. Notwithstanding anything to the contrary, upon the Scheme becoming effective, the Transferee Company shall not be liable or responsible for the claims, liabilities, dues, proceedings or obligations which relate to the period prior to the Transferor Company 2 acquiring the Amalgamated Undertaking under the corporate insolvency resolution period, and for the avoidance of doubt, such past claims, liabilities, dues, proceedings or obligations of the Amalgamated Undertaking have been extinguished in accordance with the order of the National Company Law Tribunal, Hyderabad dated 21 June 2022 (IA (IBC) 540/2022 in CP (IB) No. 13/7/HDB/2020) pursuant to which the Transferee Company acquired the Transferor Company 2.
2. **Vesting of Assets**
  - 2.1. Without prejudice to the generality of Clause 1, Section A of Part III of the Scheme above, upon the Scheme becoming effective and with effect from the Appointed Date 2, all the estate, tangible and intangible assets (including but not limited to brands, trademarks, patents designs, and copyrights), properties, rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Amalgamated Undertaking of the Transferor Company 2 of whatsoever nature and where so ever situated shall, pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Laws, if any, and without any further act or deed, stand transferred to and vested in the Transferee Company.
  - 2.2.
  - 2.3. Without limitation, upon the Scheme becoming effective and with effect from the Appointed Date 2, all the immovable properties (whether freehold or leasehold or licensed or otherwise and all documents of title, rights and easements in relation thereto), together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company 2 including floor space index, transferable development rights shall, pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Laws, if any, and without any further act, instrument or deed, stand transferred to and be vested in the Transferee Company, as a going concern. Without prejudice to the aforesaid, the Transferee Company shall be entitled to and exercise all rights and privileges attached to the immovable properties and shall be liable to pay ground rent, Taxes and to fulfil all obligations in relation to or applicable to such immovable properties. The Transferee Company shall under the provisions of this Scheme be deemed to be authorized to execute, if required, such instruments, deeds and writing on behalf of the Transferor Company 2 and to implement or carry out all such procedures or compliances to give effect to the provisions of this Scheme. The mutation of the title to the



immovable properties shall be made and duly recorded with the appropriate Governmental Authorities upon the Scheme becoming effective, in accordance with the terms hereof, in favour of the Transferee Company. Any inchoate title or possessory title of the Transferor Company 2 shall be deemed to be the title of the Transferee Company. For the avoidance of doubt, it is clarified that the Transferee Company shall be entitled to execute such deeds, agreements, conveyance and/ or documents as may be required to ensure mutation of the title to the immovable properties belonging to the Transferor Company 2 in favour of the Transferee Company by the appropriate Governmental Authorities upon the Scheme becoming effective.

- 2.4. Without prejudice to the provisions of Clause 2.1 and 2.2, Section A of Part III of the Scheme above, upon the Scheme becoming effective, all movable property or incorporeal property or property otherwise capable of vesting or transfer by delivery or possession, or by endorsement and/ or delivery shall, pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Laws, if any, and without any further act, deed or notification or instrument of conveyance, costs or charge and without any notice or other intimation to any third party for the transfer of the same, stand transferred to and vested in the Transferee Company.
- 2.5. In respect of the assets and properties belonging to the Transferor Company 2 (other than those referred to in Clause 2.1, 2.2 and 2.3, Section A of Part III of the Scheme above) including sundry debtors, receivables, refunds, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any company or other person, the same shall, pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Laws, if any, and without any further act, deed or notification or instrument of conveyance, stand transferred to and vested in the Transferee Company.
- 2.6. All other assets, rights, title, interest, investments and properties of the Transferor Company 2 as on the Appointed Date 2, whether or not included in their respective books, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Company 2 on or after the Appointed Date 2 but prior to the Effective Date, shall, pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Laws, if any, and without any further act, deed or notification or instrument of conveyance, stand transferred to and vested in the Transferee Company.
- 2.7. All the profits or Taxes (including advance tax, tax deducted at source, foreign tax credits and MAT Credit, tax losses, unabsorbed depreciation, indirect tax credits or refunds due, existing or future incentives, un-availed credits and exemptions, GST set off or any costs, charges, expenditure accruing to the Transferor Company 2) or expenditure or losses arising or incurred or suffered by the Transferor Company 2 shall for all purposes be treated and be deemed to be and accrue as the profits, Taxes (indirect tax credits or refunds due, GST set off, or any costs, charges, expenditure or losses of the Transferee Company, as the case may be) upon the coming into effect of this Scheme and with effect from the Appointed Date 2 pursuant to the provisions of Sections 230 to 232 of the Act.
- 2.8. Upon the Scheme becoming effective and with effect from the Appointed Date 2, all the profits and income accruing or arising to the Transferor Company 2 or expenditure or losses arising or incurred (including the effect of Taxes, if any, thereon) by the Transferor Company 2 shall, for all purposes,

be treated and deemed to be and accrue as the profits or income or expenditure or losses or Taxes of the Transferee Company (as the case may be). It is clarified that all assets and receivables, whether contingent or otherwise, of the Transferor Company 2, whether provided for or not, in their books of account and all other assets or receivables which may accrue or arise shall be deemed to be the assets and receivables or otherwise, as the case may be, of the Transferee Company.

- 2.9. All the permissions, approvals, consents, licenses, powers, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions, goodwill and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges (including tax benefits and exemptions) and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests enjoyed or conferred upon or held or availed of by the Transferor Company 2 and all rights and benefits that have accrued or which may accrue to the Transferor Company 2, (whether recorded in the books of accounts or not), including tax benefits, tax losses, tax refunds, tax credits, MAT credit, and exemptions, shall, pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Laws, if any, and without any further act, deed or notification or instrument of conveyance stand transferred to and vested in 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 regard.

### **3. Bank Accounts**

- 3.1. For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of the bank accounts of the Transferor Company 2 has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company 2 in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment, which are in the name of Transferor Company 2, after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. The Transferee Company shall be allowed to maintain bank accounts in the name of the Transferor Company 2 for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company 2. To the extent such collection is made in the name of the Transferor Company 2, it shall also without any further act or deed be and stand transferred to the Transferee Company. It is hereby expressly clarified that any legal proceedings by or against the Transferor Company 2, in relation to the cheques or other negotiable instruments, payment orders received (as the case may be) shall be continued by or against the Transferee Company after the coming into effect of this Scheme.

### **4. Contracts, Deeds, etc.**

- 4.1. All the inter-se contracts solely between the Transferor Company 2 and the Transferee Company shall stand cancelled and cease to operate from the Effective Date, and appropriate effect shall be given to such cancellation and cessation of such contracts in the books of accounts and records of the Transferee Company. For avoidance of doubt, it is hereby clarified that there will be no accrual of income or expense or interest or any other charges on account of any such inter-se transactions

in the nature of sale or transfer of goods, material or services or deposits or balances between the Transferor 2 and the Transferee Company.

- 4.2. Upon the coming into effect of this Scheme and with effect from Appointed Date 2, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, insurance, letters of intent, undertaking, policies including licenses, lease arrangements/ agreements and other instruments of whatsoever nature, to which Transferor Company 2 is a party or to the benefit of which the Transferor Company 2 may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect against or in favour of (as the case may be) the Transferee Company, subject to such requirements as may be stipulated in such contracts, and may be enforced as fully and effectually as if, instead of Transferor Company 2, the Transferee Company had been a party or beneficiary or obligor thereto or thereunder.
- 4.3. Without prejudice to the other provisions of this Scheme and notwithstanding that vesting of the Amalgamated Undertaking of the Transferor Company 2 occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any Applicable Laws or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company 2 is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, after the Effective Date, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company 2 and to carry out or perform all such formalities or compliances referred to above on part of the Transferor Company 2 to be carried out or performed.
- 4.4. Without prejudice to the generality of the foregoing, upon the Scheme becoming effective and with effect from the Appointed Date 2, all certificates, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company 2 shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.
- 4.5. Upon the Scheme becoming effective and with effect from the Appointed Date 2, all insurance policies, if any, registered in the name of the Transferor Company 2 shall, pursuant to the sanction of this Scheme by the NCLT and under the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and/ or deemed to have been transferred to and vested in and be available to the benefit of the Transferee Company and accordingly, the name of the Transferee Company shall be recorded in all the insurance policies existing in the name of the Transferor Company 2.

## **5. Transfer and Vesting of Liabilities**

- 5.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date 2, all Liabilities of Transferor Company 2 shall, pursuant to the sanction of this Scheme by the NCLT

and under the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in the Transferee Company, to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date 2, the Liabilities of the Transferee Company on the same terms and conditions as were applicable to Transferor Company 2, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is 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 5.1, Section A of Part III of the Scheme unless otherwise specifically required.

- 5.2. Where any such debts, Liabilities, duties and obligations of any of the Transferor Company 2 as on the Appointed Date 2 have been discharged by Transferor Company 2 on or after the Appointed Date 2 and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.
- 5.3. Upon the coming into effect of this Scheme and with effect from the Appointed Date 2, all loans raised and utilized and all Liabilities, duties and obligations incurred or undertaken by the Transferor Company 2 shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, pursuant to the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Laws, if any, and without any further act, deed or instrument of conveyance or transfer or assignment stand transferred to and vested in the Transferee Company and shall become the loans and Liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.
- 5.4. Upon the coming into effect of this Scheme and with effect from the Appointed Date 2, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due between the Transferor Company 2 and the Transferee Company, shall stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations amongst the Transferor Company 2 and the Transferee Company with effect from the Appointed Date 2.
- 5.5. Upon the Scheme becoming effective, the secured creditors of Transferor Company 2 shall be entitled to security only in respect of the properties, assets, rights, benefits and interest as existing immediately prior to the amalgamation of Transferor Company 2 with the Transferee Company. It is hereby clarified that pursuant to the amalgamation of Transferor Company 2 with the Transferee Company (merger by absorption), the secured creditors of Transferor Company 2 shall not be entitled to any further security over the properties, assets, rights, benefits and interest of the Transferee Company, and hence such assets which are not currently encumbered shall remain free and available for creation of any security thereon in the future in relation to any new indebtedness that may be incurred by the Transferee Company after the sanction of the Scheme. For this purpose, no further consent from the existing secured creditors shall be required and sanction of the Scheme shall be considered as a specific consent towards the same.

- 5.6. The present Scheme is not a Scheme of compromise or arrangement with the creditors of Transferor Company 2, or the Transferee Company and the Scheme will not affect the rights of the creditors as all the creditors will be paid in full as and when their respective amounts fall due in the usual course of business by the Transferee Company.

6. **Encumbrances**

- 6.1. The transfer and vesting of the assets and liabilities comprised in the Amalgamated Undertaking of the Transferor Company 2 to the Transferee Company under Clause 2, Clause 3, Clause 4 and Clause 5, Section A of Part III of the Scheme shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided.
- 6.2. Upon the coming into effect of this Scheme and with effect from the Appointed Date 2, all Encumbrances, over the assets of the Transferor Company 2 shall, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached, provided that if any of the assets of the Transferor Company 2 have not been Encumbered, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.
- 6.3. Any reference in any security documents or arrangements to the Transferor Company 2 and their respective assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company 2 transferred to the Transferee Company by virtue of this Scheme and shall not extend to any of the assets or to any of the other units or divisions of the Transferee Company unless otherwise expressly provided. Without prejudice to the foregoing provisions, the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/ or modification(s) of charge, with the relevant Registrar of Companies to give formal effect to the above provisions, if required.
- 6.4. Upon the coming into effect of this Scheme, the Transferee Company shall be liable to perform all obligations in respect of the Liabilities of the Transferor Company 2, which have been transferred to it in terms of this Scheme. Notwithstanding anything contained in this Clause 6, any obligation or covenant of the Transferor Company 2 to create any security or otherwise Encumber any of its assets or properties in the future, shall upon sanction of the Scheme, vest with and become valid and effective obligations or covenants of the Transferee Company.
- 6.5. It is expressly provided that, save as herein provided, no other term or condition of the Liabilities of the Transferor Company 2 transferred to the Transferee Company is amended by virtue of this Scheme except to the extent that such amendment is required under Applicable Law.
- 6.6. Subject to necessary consents being obtained, if required, the provisions of this Clause 6, Section A of Part III of the Scheme shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document, all of which

instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/ or superseded by the foregoing provisions

**7. Employees of Transferor Company 2**

- 7.1. Upon this Scheme becoming effective, all Employees of the Transferor Company 2 as on the Effective Date, shall be deemed to have become Employees of the Transferee Company without interruption of service or break in service as a result of the amalgamation of the Transferor Company 2 with the Transferee Company (merger by absorption) and on the basis of continuity of service with reference to the Transferor Company 2 from the Appointed Date 2 or their respective joining date, whichever is later on the same terms and conditions and shall not be less favourable than those on which they are engaged by Transferor Company 2. The services of such Employees with the Transferor Company 2 up to the Effective Date shall be taken into account for the purpose of all benefits to which the Employees may be eligible under the Applicable Laws. For the purpose of payment of any compensation, gratuity and other terminal benefits, the uninterrupted past service of such Employees with the Transferor Company 2 and such benefits to which the Employees are entitled in Transferor Company 2 shall also be taken into account and paid (as and when payable) by the Transferee Company.
- 7.2. Upon this Scheme becoming effective, all contributions to funds and schemes in respect of provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of the Employees, if any, made by any of the Transferor Company 2, shall be deemed to be made by the Transferee Company in accordance with the provisions of such schemes or funds and Applicable Law.
- 7.3. It is clarified that save as expressly provided for in this Scheme, the Employees who become the Employees of the Transferee Company by virtue of this Scheme, shall be entitled to the employment policies and shall be entitled to avail of any schemes and benefits (including employee stock options, if any) that may be applicable and available to any of the other Employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other Employees of the Transferee Company), unless otherwise determined by the Transferee Company from the Effective Date (other than in respect of Employees on contract basis, contract labourers, interns, trainees or apprentices who shall continue to remain subject to and limited by the terms of their prior engagement with the Transferor Company 2, which shall be taken up by the Transferee Company). The Transferee Company undertakes to continue to abide by any agreement/ settlement, if any, entered into or deemed to have been entered into by the Transferor Company 2 with their respective Employees.
- 7.4. Insofar as the provident fund, gratuity fund, superannuation fund, retirement fund and any other funds or benefits created by the Transferor Company 2 for their respective Employees or to which any of the Transferor Company 2 is contributing for the benefit of its Employees (collectively referred to as the Transferor Company 2 Funds) are concerned, the Transferor Company 2 Funds or such part thereof as relates to the Employees (including the aggregate of all the contributions made to such Transferor Company 2 Funds for the benefit of the Employees, accretions thereto and the investments made by the Transferor Company 2 Funds in relation to the Employees) shall be transferred to the Transferee Company and shall be held for the benefit of the concerned

Employees. If the Transferee Company has its own funds in respect of any of the employee benefits referred to above, such funds shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, be merged with the relevant Transferor Company 2 Funds upon the coming into effect of this Scheme.

- 7.5. In relation to those Employees for whom the Transferor Company 2 are making contributions to the government provident fund or other employee benefit fund, the Transferee Company shall stand substituted for Transferor Company 2, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Employees, such that all the rights, duties, powers and obligations of the Transferor Company 2 in relation to such schemes/ Transferor Company 1 Funds shall become those of the Transferee Company upon the coming into effect of this Scheme.

## **8. Legal, Taxation and other Proceedings**

- 8.1. Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company 2 pending on the Effective Date shall be continued and/ or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted by or against the Transferee Company.
- 8.2. If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company 2 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 shall be continued, prosecuted and enforced by or against 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 Transferor Company 2 as if this Scheme had not been made.
- 8.3. In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against Transferor Company 2, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of Transferee Company.

## **9. Vesting of estates, rights, titles, control**

Subject to foregoing Clauses of the Scheme, upon the coming into effect of this Scheme and with effect from the Appointed Date 2, all estates, rights, title, control, enjoyment, benefit interests and authorization accrued to and/or acquired by the Transferor Company 2 shall be deemed to have been accrued to and/or acquired for and on behalf of the Transferee Company, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to the extent and shall become the estates, assets, rights, title, interests and authorization of the Transferee Company which shall meet, discharge and satisfy the same.

**10. Vesting of intellectual property rights**

- 10.1. Upon the coming into effect of this Scheme and with effect from Appointed Date 2, all intellectual property rights, exclusively pertaining to Transferor Company 2, if any, shall stand vested in the Transferee Company without any further act, instrument or deed.
- 10.2. Upon the coming into effect of this Scheme:
- (a) all books, records, files, papers, engineering and process information, manuals, data, databases including databases for production, procurement, commercial and management, catalogues, quotations, advertising materials, if any, customer credit information, customer pricing information, lists of present and former clients/ customers/ suppliers, whether in physical or electronic form, pertaining to the Transferor Company 2, to the extent possible and permitted under Applicable Law, be handed over by the Transferor Company 2 to the Transferee Company;
  - (b) all rights to use and avail telephones, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company 2 and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company 2, shall stand vested in Transferee Company; and
  - (c) all experience, past track record, qualification criteria and credentials of the Transferor Company 2 vis-à-vis Amalgamated Undertaking in relation to eligibility, standing, evaluation and participation in existing and future bids, tenders and contracts with various customers, Governmental Authorities, agencies, departments, clients, etc., shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes.

**B. Consideration**

1. Transferor Company 2 is a wholly owned subsidiary of Transferee Company and its entire share capital is held by Transferee Company and its nominees. Accordingly, upon the Scheme being effective, the entire share capital of the Transferor Company 2 shall stand cancelled without any further application, acts or deeds and there would be no issue of shares of Transferee Company to the shareholders of Transferor Company 2, pursuant to the Scheme.
2. Upon coming into effect of this Scheme, the shares of the Transferor Company 2 in relation to the shares held by the Transferee Company may, without any further application, acts, instruments or deeds, be deemed to have been automatically cancelled and be of no effect without necessity of them being surrendered.





## **PART IV**

### **ACCOUNTING TREATMENT**

#### **A. Accounting Treatment in the Books of the Transferee Company**

1. Upon the Scheme becoming effective and with effect from the relevant Appointed Date, the Transferee Company shall account for the amalgamation in its books, in accordance with the Indian Accounting Standard 103 – Business Combinations specified under Section 133 of the Act read with Companies (Accounting Standards) Amendment Rules, 2016, as specified here under:
  - (i) The assets, liabilities and reserves of the Transferor Companies (including off balance sheet assets e.g. intangible assets and liabilities), shall be recorded by the Transferee Company in its book of accounts at the existing carrying amounts and in the same form. The Transferee Company shall have the right to review the carrying value of assets of the Transferor Companies as on 31 March 2023, if required.
  - (ii) Any inter-company balances outstanding between Transferee Company and any of the Transferor Companies, and between the Transferor Companies *inter se* shall stand cancelled and there shall be no further obligation/outstanding in that behalf.
  - (iii) The share capital of the Transferee Company held by the Transferor Company 1 shall stand cancelled in the books of the Transferee Company, without further act or deed. The cost of acquisition of equity shares in the hands of the Transferee Company, shall be treated as the consideration paid for the acquisition of business of the Transferor Companies.
  - (iv) The difference, if any arising, between the value of total consideration and the value of assets, liabilities and reserves held by the Transferor Company 1 will be transferred to common control transactions capital reserve.
  - (v) In case of any difference in accounting policy between the Transferor Companies and the Transferee Company, the impact of the same till the relevant Appointed Date will be quantified and adjusted to the reserves in the balance sheet of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
  - (vi) For regulatory and Tax purposes (including for MAT purposes), amalgamation would have been deemed to be carried out from the relevant Appointed Dates of this Scheme and the Transferee Company shall prepare special purpose accounts to give effect to the same. These special purpose accounts shall not be considered as deviation from accounting policies and accounting standards which have been considered for the purpose of preparing annual accounts laid before annual general meetings of the Transferee Company.

#### **B. Accounting treatment in the books of the Transferor Company 1**

1. Upon the Scheme becoming effective, the Transferor Company 1 shall stand dissolved without the process of winding-up pursuant to Clause 4 of Part V of the Scheme below, and hence, no

accounting treatment has been prescribed under this Clause in relation to the books of the Transferor Company 1.

**C. Accounting treatment in the books of the Transferor Company 2**

1. Upon the Scheme becoming effective, the Transferor Company 2 shall stand dissolved without the process of winding-up pursuant to Clause 4 of Part V of the Scheme below, and hence, no accounting treatment has been prescribed under this Clause in relation to the books of the Transferor Company 2.

## **PART V: GENERAL TERMS AND CONDITIONS**

### **1. Transactions between Appointed Date and Effective Date**

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

- 1.1. Each of the Transferor Companies shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of its business, estates, properties, assets, rights, title, interest undertakings, authorities, contracts and investments for and on account of and in trust for the Transferee Company. The Transferor Companies shall not build in any additional assets or security interests in the respective assets of the Transferor Companies.
- 1.2. Any income or profit accruing or arising to the respective Transferor Company and all costs, charges, expenses and losses or Taxes (including deferred tax balances, if any) incurred by the respective Transferor Company shall for all purposes be treated as the income, profits, costs, charges, expenses and losses or Taxes (including deferred tax balances, if any, as the case may be), of the Transferee Company and shall be available to the Transferee Company for being disposed of in any manner as it thinks fit including declaration of dividend, issue of bonus shares by the Transferee Company, any advance tax paid or tax deducted at source certificates received and self-assessment tax etc. paid by each of the Transferor Companies be treated and deemed to be and accrue as profits, income, losses or expenditure (including Taxes, as the case may be) of the Transferee Company.
- 1.3. Each of the respective Transferor Companies shall carry on its activities with due business diligence and prudence and shall not, without prior written consent of the Transferee Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage, encumber or otherwise deal with any part of their assets nor incur or accept or acknowledge any debt, obligation or liability except as is necessary in the ordinary course of business.
- 1.4. Any of the rights, powers, authorities or privileges exercised by the Transferor Companies shall be deemed to have been exercised by the respective Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Companies shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company.
- 1.5. All Taxes paid or payable by the Transferor Companies in respect of the operations and/ or the profits of the respective Transferor Company before the relevant Appointed Date, shall be on account of the respective Transferor Company and, insofar as it relates to the Tax payment (including, without limitation, income tax, CGST, SGST of respective states, IGST, sales tax; excise duty, customs duty, service tax, VAT, CENVAT credit, input tax credit, etc.), whether by way of deduction at source, advance tax, tax collected at source, MAT Credit, dividend distribution tax, taxes withheld or paid in foreign country, or otherwise howsoever, by the respective Transferor Company in respect of the profits or activities or operation of the respective Transferor Company with effect from the relevant 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.

1.6. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/ State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Transferee Company may require to carry on the business of the Transferor Companies and give effect to the Scheme.

1.7. The Transferee Company and each of the respective Transferor Company, unless expressly prohibited under this Scheme shall carry on its business in ordinary course and shall also be *inter alia* permitted to make a payment or distribution of dividend in any manner, alter its share capital in any manner including any sub-division of shares, change in the constitutional documents including the objects or name of the company, any issue of shares or other securities, acquisition and/ or restructuring with the approval of its Board or shareholders (as the case may be).

## 2. **Taxes/ Duties/ Cess etc.**

### 2.1. Applicability of provisions of the IT Act

- (i) The provisions of this Scheme as they relate to the amalgamation of Transferor Companies with Transferee Company have been drawn up to comply with the conditions relating to “amalgamation” as defined under Section 2(1B) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the IT Act, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the IT Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the IT Act. Such modification will, however, not affect the other parts of the Scheme and the power to make any such amendments shall vest with the Board of Directors or any committee of the Board of Directors to which the power is delegated.
- (ii) Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its financial statements and tax returns, withholding tax returns [other section 170A of IT or any other provision] and related withholding tax certificates, including withholding tax certificates relating to transactions between any of the Transferor Companies and the Transferee Company, and between the Transferor Companies inter se, along with prescribed forms, filings and annexures under the IT Act (including for MAT purposes, carry forward and set-off of accumulated losses and tax benefits), service tax law, VAT laws, sales tax laws, excise duty laws, customs duty laws, CGST, SGST, IGST and other tax laws and to claim refunds and/ or credits for Taxes paid (including MAT), and to claim tax benefits under the IT Act and other tax laws (including software technology parks of India or special economic zone benefits) etc. and for matters incidental thereto, if required to give effect to the provisions of this Scheme.

### 2.2. Tax Treatment

- (i) Upon the Scheme coming into effect, all Taxes payable by or on behalf of each of the Transferor Companies from the relevant Appointed Date onwards including all or any refunds and claims, including refunds or claims pending with any Governmental Authority and including the right to claim MAT Credit, set-off and carry forward of accumulated

losses, unabsorbed tax depreciation, book losses, book depreciation, deferred revenue expenditure, deduction, rebate, allowance, amortization benefit, etc. under the IT Act, or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India and unutilized CENVAT credit, VAT credit, input tax credit for CGST, SGST and IGST, etc. shall, for all purposes, be treated as the Tax, liabilities or refunds, claims, accumulated losses and unutilized CENVAT credits, VAT credit, CGST, SGST and IGST credits and rights to claim credit, tax benefits or refund etc. of the Transferee Company.

- (ii) The Transferee Company shall also be permitted to claim refunds/ credits in respect of any transaction between any of the Transferor Companies and the Transferee Company, and between the Transferor Companies inter se.
- (iii) The withholding tax/ advance tax/MAT, if any, paid by any of the Transferor Companies under the IT Act or any other statute in respect of their respective income assessable for the period commencing from the relevant Appointed Date shall be deemed to be the tax deducted from advance tax paid by the Transferee Company and credit for such withholding tax/ advance tax/ MAT shall be allowed to the Transferee Company notwithstanding that certificates or challans for withholding tax/ advance tax are in the name of the Transferor Companies and not in the name of the Transferee Company.
- (iv) The service tax, VAT, excise duty, customs duty and sales tax under the pre – GST regime and in the GST regime, CGST, SGST and IGST paid by the Transferor Companies under the Finance Act, 1994 and/ or Central Goods and Service Tax Act, 2017, Integrated Goods and Service Tax Act, 2017 and Union Territory Goods and Service Tax Act, 2017 in respect of services provided by them for the period commencing from the Appointed Date shall be deemed to be the service tax, CGST, SGST, IGST paid by the Transferee Company and credit for such service tax, CGST, SGST, IGST shall be allowed to the Transferee Company notwithstanding that challans for service tax payments, CGST payment, SGST payment, IGST payment are in the name of the Transferor Companies and not in the name of the Transferee Company.
- (v) Any tax liability under the IT Act or any other applicable tax laws or regulations allocable to the Transferor Companies whether or not provided for or covered by any tax provisions in the respective accounts of the Transferor Companies made as on the date immediately preceding the relevant Appointed Date shall be transferred to the Transferee Company. Any surplus in the provision for taxation or duties or levies in the respective accounts of the Transferor Companies including advance tax and tax deducted at source as on the close of business in India on the date immediately preceding the relevant Appointed Date will also be transferred to the account of the Transferee Company.
- (vi) All tax assessment proceedings and appeals of whatsoever nature by or against any of the Transferor Companies pending or arising as at the relevant Appointed Date shall be continued and/ or enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the concerned Transferor Company. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by reason of the

amalgamation of the Transferor Companies with the Transferee Company or anything contained in this Scheme.

- (vii) Transferee Company shall be entitled to claim deduction in respect of expenses incurred by the Transferor Companies and the Transferee Company in relation to the amalgamation of the Transferor Companies with the Transferee Company in accordance with this Scheme including stamp duty expenses, if any, as deduction to the Transferee Company in accordance with relevant provisions of the IT Act.

### **3. Resolutions**

- 3.1. Upon the coming into effect of this Scheme, the resolutions, if any, of each of the Transferor Companies, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.
- 3.2. Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of the provisions of the Act shall be deemed, without any further act or deed, to have been enhanced by the aggregate limits of the Transferor Companies which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the relevant Appointed Date.

### **4. Dissolution of Transferor Companies without the process of winding up**

- 4.1. On the Scheme coming into effect, each of the Transferor Companies shall, without any further act or deed, stand dissolved without the process of winding up. The name of the Transferor Companies shall be struck off from the records of the concerned Registrar of Companies without requiring any further acts or deeds on the part of the Transferor Companies or the Transferee Company.
- 4.2. Upon the Scheme coming into effect, all the existing shares or share certificates pertaining to the shares of each of the Transferor Companies shall stand cancelled and will become invalid and shall cease to be transferable. The Board of Directors of the Transferee Company will not be required to approach the shareholders of any of the Transferor Companies to surrender their share certificates after the Scheme becoming effective.
- 4.3. Even after the Scheme becomes effective, the Transferee Company shall be entitled to operate all bank accounts relating to the Transferor Companies and realize all monies and complete and enforce all pending contracts and transactions in the name of the Transferor Companies insofar as may be necessary until the transfer and vesting of rights and obligations of the Transferor Companies to the Transferee Company under this Scheme is formally effected by the parties concerned.

### **5. Combination of Authorised Share Capital**

- 5.1. Upon the Scheme becoming effective, the authorised share capital of Transferor Company 1 shall stand carried forward and merged with the authorised share capital of the Transferee Company, without any further act, deed, resolution or writing on the part of the Transferee Company (including payment of stamp duty and/ or fees payable to the Registrar of Companies). Upon the Scheme coming into effect, the office of the Registrar of Companies shall immediately take note of the consolidation of authorised share capital of the Transferor Company 1 and enhance the authorised share capital of the Transferee Company accordingly in its records. It is clarified that the approval of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting the alteration of the memorandum of association and articles of association of the Transferee Company for increase in the authorised share capital, as may be required under the Act, and no further resolution(s) under Sections 4, 13, 14 and 61 of the Act shall be required.
- 5.2. Upon the Scheme becoming effective, the authorised share capital of Transferor Company 2 shall stand carried forward and merged with the authorised share capital of the Transferee Company, without any further act, deed, resolution or writing on the part of the Transferee Company (including payment of stamp duty and/ or fees payable to the Registrar of Companies). Upon the Scheme coming into effect, the office of the Registrar of Companies shall immediately take note of the consolidation of authorised share capital of the Transferor Company 2 and enhance the authorised share capital of the Transferee Company accordingly in its records. It is clarified that the approval of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting the alteration of the memorandum of association and articles of association of the Transferee Company for increase in the authorised share capital, as may be required under the Act, and no further resolution(s) under Sections 4, 13, 14 and 61 of the Act shall be required.
- 5.3. Clause V of the memorandum of association of the Transferee Company shall, upon the effectiveness of Part II and Part III of the Scheme and without any further act or deed, be replaced by the following Clause:

Particulars	Amount (in INR)
<b>Authorised Share Capital</b>	
6,00,49,90,000 equity shares of INR 10 each	60,04,99,00,000
9,00,01,70,000 preference shares of INR 10 each	90,00,17,00,000
<b>Total</b>	<b>1,50,05,16,00,000</b>

- 5.4. For the avoidance of doubt, it is clarified that, in case the authorised share capital of the Transferor Company 1, Transferor Company 2 and/or the Transferee Company (as the case may be) undergoes any change, either as a consequence of any corporate actions or otherwise, then Clauses 5.3 and 5.4 of Part V of the Scheme shall automatically stand modified / adjusted automatically accordingly to take into account the effect of such change.



- 5.5. Pursuant to this Scheme, the Transferee Company shall file the requisite forms with the jurisdictional Registrar of Companies in relation to the alteration of its authorised share capital, as applicable.

**6. Saving of concluded transactions**

The transfer and vesting of Amalgamated Undertaking as laid down in Part II (for the Transferor Company 1) and Part III (for the Transferor Company 2) of this Scheme and the continuance of proceedings by or against the Transferee Company under this Scheme shall not affect any transaction or proceedings already concluded by the Transferor Companies on or after the relevant Appointed Date till the Effective Date, and the Transferee Company accepts and adopts all acts, deeds and things done and executed by each of the Transferor Companies in respect thereto, as if done and executed on behalf of the Transferee Company.

**7. Dividends**

The Transferor Companies shall be entitled to declare and pay dividends, whether interim and/ or final, to their respective shareholders prior to the Effective Date, as applicable. Prior to the effectiveness of the Scheme, the holders of the shares of the Transferor Companies shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective articles of association including the right to receive dividends.

It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer on any shareholder of the Transferor Companies to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Companies, and if applicable in accordance with the provisions of the Act, be subject to the approval of the shareholders of each of the Transferor Companies.

**8. Conditionality of the Scheme**

- 8.1. The effectiveness of the Scheme is conditional upon and subject to:

- (i) This Scheme being approved by the respective requisite majority in number and value of such class of persons including the shareholders and/ or creditors of each of the Transferor Companies and the Transferee Company, either at a meeting or through consent or no-objection letters or otherwise, if required under the Act, or SEBI Listing Regulations and/or as may be directed by the NCLT under Sections 230 to 232 of the Act or dispensation having being received from the NCLT in relation to obtaining such approval from the members and/or creditors, and the requisite order of the NCLT being obtained in this regard;
- (ii) The Scheme being sanctioned by the NCLT or any other competent authority, as may be applicable, under Sections 230 to 232 of the Act;
- (iii) The certified copy of the order of the NCLT under Sections 230 to 232 and other applicable provisions of the Act sanctioning the Scheme being filed with the Registrar of Companies by the Transferor Companies and Transferee Company; and

- (iv) The requisite sanction or approval of the Governmental Authority in India being obtained and/ or granted in relation to any of the matters in respect of which such sanction or approval is required.

## **9. Effect of non-receipt of Approvals/ Sanctions**

- 9.1. In the event of any of the said sanctions and approvals referred to in Clause 8.1 of Part V of the Scheme above not being obtained and/ or the Scheme not being sanctioned by the Government Authority and/ or the order not being passed as aforesaid within such period or periods as may be agreed upon between the Transferor Companies and the Transferee Company by their Board of Directors (and which the Board of Directors of the Transferor Companies and Transferee Company are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect.
- 9.2. Subject to approval of the NCLT or any other Governmental Authorities as may be required under Applicable Law, the Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to, jointly and as mutually agreed in writing, withdraw this Scheme at any time prior to the Effective Date, in their full and absolute discretion.
- 9.3. In the event of revocation of the Scheme under Clause 9.1 or 9.2 of Part V of the Scheme above, no rights and liabilities whatsoever shall accrue or to be incurred inter se to the Transferor Companies and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights, liabilities or obligations which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law, and in such case, each company shall bear its own cost unless otherwise mutually agreed.

## **10. Applications**

The Transferor Companies and the Transferee Company, if required shall, with all reasonable dispatch, make applications/ petitions to the NCLT under Sections 230 to 232 and other applicable provisions of the Act, read with applicable Rules for sanctioning of this Scheme and all matters ancillary or incidental thereto.

The Transferor Companies shall take all necessary steps for sanctioning of this Scheme and for their respective dissolution without winding up, and apply for and obtain such other approvals, if any, required under the law.

## **11. Modifications or amendments to the Scheme**

- 11.1. The Transferor Companies and the Transferee Company, through their respective Board of Directors, may assent from time to time on behalf of all the persons concerned to any modifications or amendments or additions to this Scheme subject to approval of the NCLT or to any conditions or limitations which the NCLT and/ or any other competent authorities, if any, under the law may deem fit and approve of or impose and which the Transferor Companies and the Transferee Company may in their discretion deem fit and may resolve all doubts or difficulties that may arise

for carrying out this Scheme and do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect. The aforesaid powers of the Transferor Companies and the Transferee Company may be exercised by their respective Boards of Directors, a committee of the concerned Board or any director, or executive authorized in that behalf by the concerned Board of Directors (hereinafter referred to as the Delegate).

- 11.2. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegates of the Transferor Companies or the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty (including any modifications required pursuant to Clause 12 of Part V of this Scheme) that may arise and such determination or directions (as the case may be) shall be binding on all parties in the same manner as if the same were specifically incorporated in this Scheme.
- 11.3. The Transferee Company even after the Scheme coming into effect may approach the NCLT or other concerned or competent authority(ies) for any incidental orders to remove any deficiency or overcome any difficulty in implementation of the Scheme or clear any ambiguity or to comply with any statutory requirement which necessitates the order of the NCLT or other concerned or competent authority(ies).

## **12. 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 Board of the Transferor Companies and the Board of the Transferee Company, affect the validity or implementation of the other parts and/ or provisions of this Scheme. If any Part or provision of this Scheme hereof is invalid, ruled illegal by any Tribunal of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Companies and the Transferee Company that such part or provision (as the case may be) shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part or provision, (as the case may be) shall cause this Scheme to become materially adverse to any of the Transferor Companies or the Transferee Company, in which case the Transferor Companies and the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Companies and the Transferee Company the benefits and obligations of the Scheme, including but not limited to such part or provision.

## **13. Costs, Charges and Expenses**

All costs, charges, Taxes, including stamp 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 and paid by the Transferee Company or as may be mutually agreed between the Transferor Companies and the Transferee Company.

## **14. Shareholders' approval**

It is hereby clarified that if pursuant to this Scheme any action is to be taken by any of the Transferor Companies or the Transferee Company, which requires the consent or approval of shareholders,

then for such purposes, the consent or approval of the shareholders to the Scheme shall be deemed to be sufficient, and no further resolution of the shareholders would be required to be passed separately.

**15. Other Corporate Actions**

Nothing in this Scheme shall prevent the Transferee Company, from taking any corporate action, including but not limited to issue of any further capital, declaration of dividend, conversion of any convertible debt instrument that is issued or to be issued by the Transferee Company to any person or any investors, raising of funds by issue of equity shares and or preference shares and or any convertible or non-convertible securities or instruments or bonus shares or rights offer or in any other manner subject to compliance of the Applicable Laws during pendency of this Scheme before any authority including NCLT or NCLAT (as the case may be).

**16. No cause of action**

No third party claiming to have acted or changed its position in anticipation of this Scheme taking effect, shall get any cause of action against the Transferor Companies or the Transferee Company or their directors or officers, if the Scheme does not take effect or is withdrawn, amended or modified for any reason whatsoever.

## ANNEXURE I

### TERMS OF EXISTING NCDS

S No	Particulars	Series I	Series II	Series III	Series IV	MLD Series
	Size of NCD's	400 Crores	635 Crores	200 Crores	1010.5 Crores	254.5 Crores
1	Face Value in INR	10,00,000	10,00,000	10,00,000	10,00,000	10,00,000
2	Dividend/Coupon: The terms of payment of dividends/ coupon including frequency, etc.	Part A of Annexure 1 of the Scheme				
3	Credit Rating	CARE BBB STABLE	CARE BBB STABLE	CARE BBB STABLE	CARE BBB STABLE	CARE PP MLD BBB STABLE
4	Tenure/ Maturity	Part B of Annexure 1 of Scheme				
5	Redemption: The terms of redemption, amount, date, redemption premium/discount, and early redemption scenarios, if any.	Part C of Annexure 1 of the Scheme				
6	Safeguards for the protection of holders of NCDs/ <del>NCRPS</del>	Part D of Annexure 1 of the Scheme				
7	Exit offer to the dissenting holders of NCDs/ <del>NCRPS</del> , if any	Management of Transferor Company 1 is in the process of seeking no objection certificate from the NCD holders.				
8	Other embedded features (put option, call option, dates, notification times, etc.	Not Applicable				Part E of Annexure 1 of Scheme
9	Other terms of instruments	All material terms have been included in the terms of non-convertible debentures vide S. No.1 to 8				
10	Latest audited financials along with notes to accounts and any audit qualifications. (Financial statements should not be later than six months prior to the date of listing);	Refer Annexure VI B of Application				
11	Fairness report as mentioned in para 2(c) above	Refer Annexure IV of Application				
12	Any other information/details pertinent for holders of NCDs/ <del>NCRPS</del> .	All material terms applicable to the Existing NCDs have been included in serial nos., 1 to 8 above.				

**PART – A - Dividend/Coupon: The terms of payment of dividends/ coupon including frequency, etc.**

Series	Yield on IRR basis	Coupon Payment Frequency
I	11.75% for 24 months and 12.50% thereafter	Coupon (equivalent to Yield) at end of 12 & 18 month and quarterly thereafter
II	13.50%	Entire Yield to be paid as redemption premium on final redemption date.
III	11.75% for 24 months and 12.50% thereafter	Coupon (equivalent to Yield) at end of 12 & 18 month and quarterly thereafter
IV	16.00%	Coupon of 5% compounded annually at end of 18 month and semi-annually thereafter. Balance Yield to be paid as Redemption Premium on Final Redemption Date
MLD	10.25%	On maturity or exercise of Put/ Call option

### **Part B – Tenure/Maturity**

Series	Redemption/Maturity Date	Redemption Amount (as % of Issue Amount)
I	30-May-24	20%
	30-May-25	80%
II	30-Nov-23	12.27%
	30-May-24	3.91%
	29-Nov-24	3.93%
	30-May-25	Balance
III	30-May-24	20%
	30-May-25	80%
IV	02-Jun-25	20%
	28-Nov-25	80%
MLD	26-May-24	20%
	26-May-25	80%

### **Part C - Redemption: The terms of redemption, amount, date, redemption premium/discount, and early redemption scenarios, if any.**

Series	Redemption/Maturity Date	Redemption Amount (as % of Issue Amount)	Early Redemption Scenarios	
Series I	30-May-24	20%	Voluntary Redemption (as more particularly	For any redemption of Debentures on any calendar day (other than a Put Option Date) after the Premature Redemption Cut-off Date but before date falling on the
	30-May-25	80%		
Series II	30-Nov-23	12.27%		
	30-May-24	3.91%		
	29-Nov-24	3.93%		

	30-May-25	Balance		
Series III	30-May-24	20%	defined under the Debenture Trust Deed) Put Option – Credit Rating Downgrade Event (Jindal Power Ltd) Mandatory Redemption Event	<p>expiry of 18 (eighteen) months from the Deemed Date of Allotment, 0.5% (zero point five per cent) of the Debt being repaid or redeemed in respect of the Debentures; and</p> <p>For any voluntary redemption of Debentures on any calendar day after the date falling on the expiry of 18 (eighteen) months from the Deemed Date of Allotment, 0.5% (zero point five per cent) of the Debt being repaid or redeemed in respect of the Debentures on the Voluntary Redemption Date, if the Company has provided the Debenture Trustee, a Voluntary Redemption Notice of less than 30 (thirty) calendar days prior to the Voluntary Redemption Date.</p>
	30-May-25	80%		
Series IV	02-Jun-25	20%		Voluntary redemption of Debentures on any calendar day after the date falling on the expiry of 18 (eighteen) months from the Deemed Date of Allotment
	28-Nov-25	80%		
MLD Series	26-May-24	20%	Voluntary Redemption (as more particularly defined under the Debenture Trust Deed) Put Option – Credit Rating Downgrade Event Jindal Power Ltd Mandatory Redemption Event Put and Call Options	<p>For any redemption of Debentures on any calendar day (other than a Put Option Date) after the Premature Redemption Cut-off Date but before date falling on the expiry of 18 (eighteen) months from the Deemed Date of Allotment, 0.5% (zero point five per cent) of the Debt being repaid or redeemed in respect of the Debentures; and</p> <p>For any voluntary redemption of Debentures on any calendar day after the date falling on the expiry of</p>
	26-May-25	80%		

				<p>18 (eighteen) months from the Deemed Date of Allotment, 0.5% (zero point five per cent) of the Debt being repaid or redeemed in respect of the Debentures on the Voluntary Redemption Date, if the Company has provided the Debenture Trustee, a Voluntary Redemption Notice of less than 30 (thirty) calendar days prior to the Voluntary Redemption Date.</p>
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**Part D- Safeguards for the protection of holders of NCDs/ NCRPS**

<b>Common Security for Series I - IV</b>	Pledge over all shares (equity, preference shares, convertible debentures etc.) of Worldone Private Limited (other than 4,800 equity shares held by Smt. Shallu Jindal and 10 equity shares held by Smt. Arti Jindal)		
	First and exclusive pledge over 49% of Jindal Power Limited		
	First and exclusive pledge over 96.42% Jindal Power Limited Preference Shares		
	Hypothecation of all movable fixed and current assets of the Worldone Private Limited including receivables arising from Jindal Power Limited received by Worldone Private Limited		
	Non-Disposal Undertaking for balance ~50% shares of Jindal Power Limited		
	<i>All security to be provided prior to listing. The above security will be common for issuances by Worldone Private Limited for an amount upto INR 2500 Crores (including this issue)</i>		
<b>Security with priority for Series I</b>	First and exclusive pledge over below listed shares (“Quoted Shares”) held by Worldone Private Limited and OPJ Trading Private Limited. Any surplus, from the sale proceeds of the shares, post full repayment of Series I, shall be available for Series II to IV		
	<b>Listed shares of:</b>	<b>OPJ Trading Private Limited</b>	<b>Worldone Private Limited</b>
	Nalwa Sons Investments Limited	5,71,386	1,24,416
	JSW Holdings Limited	5,37,673	4,41,518
	JITF Infralogistics Limited	6,24,946	
	This security will be provided prior to listing.		
<b>Exclusive Security for Series III</b>	Worldone Private Limited group shall provide exclusive security interest by way of mortgage on identified land assets to provide security cover of 1x on outstanding amount under Series III.		
	This security will be provided as condition subsequent within 90 days of Deemed Date of Allotment.		
	<b><u>OPJ Trading Private Limited Corporate Guarantee:</u></b>		
	Unconditional & Irrevocable Corporate Guarantee of OPJ Trading Private Limited throughout the tenor for Series I, II and III.		
	Series IV - In case of an Loan To Value Breach Event		
	This will be provided prior to listing.		
	<b><i>At the end of 18 months DSRA for one quarter equivalent coupon servicing to be provided for Series I and Series III</i></b>		

<p><b>Security for MLD Series</b></p>	<p>First ranking exclusive charge created by the Company over the Issue Account (MLD Series) OPJ Corporate Guarantee (including Put option) from OPJ Trading Private Limited.</p> <p>This will be provided prior to Listing.</p> <p>Post disbursement of balance Total Debt Facility, the Total Debt Facility (including this MLD Issue disbursed cash proceeds) will be utilized for Acquisition and below mentioned security will be created for Total Debt Facility.</p> <p>Pledge over all shares (equity, preference shares, convertible debentures etc.) of Worldone Private Limited (other than 4,800 equity shares held by Smt. Shallu Jindal and 10 equity shares held by Smt. Arti Jindal)</p> <p>First and exclusive pledge over 49% of Jindal Power Limited shares.</p> <p>First and exclusive pledge over 96.42% Jindal Power Limited preference shares.</p> <p>Hypothecation of all movable fixed and current assets of the Worldone Private Limited including receivables arising from Jindal Power Limited received by Worldone Private Limited.</p> <p>Non-Disposal Undertaking for balance ~50% shares of Jindal Power Limited.</p> <p><i>The above security will be common for issuances by Worldone Private Limited for an amount upto INR 2500 Crores (including this issue) within a time period as detailed in the Debenture trust Deed.</i></p> <p><b><u>Exclusive Security for this MLD Issue:</u></b></p> <p>Charge by way of hypothecation on MLD Designated Account to be created in favour of the Debenture Trustee appointed for this MLD issue.</p> <p>To be created within 30 days of funding.</p>

**Part E- Other embedded features (put option, call option, dates, notification times, etc. – MLD SERIES NCD**

Put Option Date	Each Investor can exercise put option at end of 25 months (26 June 2024) from allotment date (“Put Option Date”) with prior notice of 60 days on Issuer and Put Option provider.
	Issuer or Put Option Provider shall fund the designated account 45 days prior to the Put Option Date. Investors can exercise the redemption till 30 days prior to the Put Option Date.
Put Price	Not applicable
Call Option Date	The Issuer cannot exercise any call option the prior to expiry 13 months from Deemed Date of Allotment
	Issuer can exercise call option on any date after 13 months but prior to 18 months by payment of 0.5% foreclosure charges on the outstanding amount with prior notice of 45 days
	Post 18 months, no foreclosure charges will be applicable.
Call Price	Not applicable
Put Notification Time	60 days
Call Notification Time	45 days