

SCHEME OF AMALGAMATION
(UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE
COMPANIES ACT, 2013)

AMONG

UJJIVAN FINANCIAL SERVICES LIMITED
(TRANSFEROR COMPANY)

AND

UJJIVAN SMALL FINANCE BANK LIMITED
(TRANSFeree COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

Sunil Kumar



This Scheme of Amalgamation (*as defined hereinafter*) is divided into 5 (Five) parts viz;

1. **Part I** sets-forth the Introduction, Definitions and Interpretation;
2. **Part II** sets-forth the Rationale of the Scheme of Amalgamation;
3. **Part III** sets-forth the capital structure of the Transferor Company and the Transferee Company;
4. **Part IV** deals with operations of the Scheme of Amalgamation; and
5. **Part V** deals with general/residuary terms and conditions.

PART I

1 INTRODUCTION, DEFINITIONS AND INTERPRETATION

1.1 Introduction:

1.1.1. This Scheme seeks to amalgamate Ujjivan Financial Services Limited ("**Transferor Company**") into and with Ujjivan Small Finance Bank Limited ("**Transferee Company**") and dissolution without winding up of the Transferor Company pursuant thereto, in terms of the provisions of Sections 230 - 232 of the Act (*as defined hereinafter*) and other applicable provisions of the Act, the SEBI Circulars (*as defined hereinafter*) and other Applicable Laws (*as defined hereinafter*).

1.1.2. The Board of Directors (*as defined hereinafter*) of the Transferor Company and the Transferee Company have resolved that the amalgamation of the Transferor Company into and with the Transferee Company would be in the best interests of the Transferor Company, the Transferee Company and their respective shareholders, creditors, employees and other stakeholders.

1.2 Overview of the Transferor Company and the Transferee Company:

1.2.1 Ujjivan Financial Services Limited

- (i) Transferor Company was originally incorporated as a private limited company on December 28, 2004 under the provisions of the erstwhile Companies Act, 1956 with the name 'Ujjivan Financial Services Private Limited'.
- (ii) Pursuant to a certificate issued by the RBI (*as defined hereinafter*), on October 31, 2005, the Transferor Company was permitted to commence operations as an NBFC (*as defined hereinafter*) under section 45 IA of the Reserve Bank of India Act, 1934. On September 5, 2013, the Transferor Company was registered as NBFC-MFI (*as defined hereinafter*) by the RBI.
- (iii) The Transferor Company was subsequently converted into a public limited company pursuant to a special resolution passed by its shareholders at extraordinary general meeting held on November 3, 2015 and the name of the Transferor Company was changed to 'Ujjivan Financial Services Limited'. A fresh certificate of incorporation consequent upon conversion to a public limited company was issued by the Registrar of Companies on November 26, 2015. Consequent to such change in name, a fresh certificate of NBFC-MFI registration was also issued by the RBI on March 4, 2016.
- (iv) On October 07, 2015, the Transferor Company was granted an in-principle approval by the RBI to set up a small finance bank under the SFB Guidelines (*as defined hereinafter*).



sale transaction on February 1, 2017 and the Transferee Company commenced its operations as a small finance bank on the same date. The Transferee Company was included in the list of scheduled banks under the second schedule of the Reserve Bank of India Act, 1934 pursuant to a notification dated July 3, 2017 issued by the RBI.

- (iii) The Transferee Company made an initial public offer, pursuant to which its equity shares got listed on the BSE and the NSE on December 12, 2019.
- (iv) The registered office of the Transferee Company is presently situated at Grape Garden, No. 27, 3rd "A" Cross, 18th Main 6th Block, Koramangala Bengaluru 560095, Karnataka India
- (v) The main objects of Transferee Company as per its memorandum of association are as follows:

1. *To establish and carry on the business of banking that is to say to accept, for the purpose of lending or investment of deposits of money from the public, repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise in any part of India or outside India.*
2. *To undertake basic banking activities of acceptance of deposits and lending to unserved and underserved sections including small business units, small and marginal farmers, micro and small industries and unorganised sector entities, and to undertake non-risk sharing simple financial services activities such as distribution of mutual fund units, insurance products, pension products, etc and carry on the business as authorised foreign exchange dealer by obtaining the applicable registration.*
3. *To carry on business of accepting deposits of money from the public, repayable on demand or otherwise, and withdrawable by cheque, draft, order or otherwise.*

- 1.2.3 The Transferor Company and Transferee Company are not subject to any investigation or proceedings under the Act. Further, there exist no adverse comments or qualifications in the respective auditor's report issued on the financial statements for financial year ended on March 31, 2022 of Transferor Company and Transferee Company.

1.3 Definitions

- 1.3.1 "Act" means the Companies Act, 2013 and the rules made thereunder, and includes any alterations, modifications and amendments made thereto;
- 1.3.2 "Applicable Laws" means all applicable (i) statutes, enactments, acts of legislature or parliament, laws, ordinances, code, directives, rules, regulations, bye-laws, listing agreements, notifications, circulars, clarifications, guidelines or policies of any applicable jurisdiction; and (ii) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals required from Governmental Authorities of, or agreements with, any Governmental Authority or a recognized stock exchange;
- 1.3.3 "Appointed Date" means April 01, 2023, or such other date as may be approved by the NCLT;
- 1.3.4 "Board of Directors" or "Board" in relation to the Transferor Company or the Transferee Company means their respective board of directors, and unless it is repugnant to the context or otherwise, includes any committee of directors or any person authorised by the board of directors or by such committee of directors;
- 1.3.5 "BSE" means BSE Limited;
- 1.3.6 "CIC" means Core Investment Company;



- 1.3.7 **“RBI Clarifications”** means the clarifications to queries on guidelines for licensing of Small Finance Banks in the Private Sector dated January 1, 2015 issued by the RBI;
- 1.3.8 **“Effective Date”** means the date on which the Scheme shall become effective pursuant to Clause 5.9. of Part V of the Scheme, or such other date as may be approved by the NCLT, as may be applicable. The Scheme shall be operative from the Effective Date, and effective from the Appointed Date, any references in this Scheme to the words / phrase “upon this Scheme becoming effective”, “Scheme becomes effective” or “effectiveness of this Scheme” or likewise, means and refers to the Effective Date;
- 1.3.9 **“Eligible Employees”** means the employees who are entitled to the Transferor Company Option Scheme established by the Transferor Company, to whom, as on the Effective Date, options of the Transferor Company have been granted, irrespective of whether the same are vested or not;
- 1.3.10 **“Encumbrance”** means (a) any encumbrance including, without limitation, any claim, mortgage, negative lien, pledge, equitable interest, charge (whether fixed or floating), hypothecation, lien, deposit by way of security, security interest, trust, guarantee, commitment, assignment by way of security, or other encumbrances or security interest of any kind securing or conferring any priority of payment in respect of any obligation of any person and includes without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security in each case under any law, contract or otherwise, including any option or right of pre-emption, public right, common right, easement rights, any attachment, restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off and/ or any other interest held by a third party; (b) any voting agreement, conditional sale contracts, interest, option, right of first offer or transfer restriction; (c) any adverse claim as to title, possession or use; and/ or (d) any agreement, conditional or otherwise, to create any of the foregoing, and the term ‘encumber’ shall be construed accordingly.
- 1.3.11 **“ESOP”** means Employee Stock Options;
- 1.3.12 **“Governmental Authority”** means the RBI, the SEBI, BSE, NSE or any governmental or statutory or regulatory or administrative authority, government department, agency, commission, board, tribunal or court or other entity authorised to make laws, rules or regulations or pass directions, having or purporting to have jurisdiction over any state or other sub-division thereof or any municipality, district or other sub-division thereof pursuant to Applicable Law;
- 1.3.13 **“NBFC”** means Non-Banking Financial Company;
- 1.3.14 **“NBFC-MFI”** means NBFC-Microfinance Institution;
- 1.3.15 **“NBFC-ND-SI-CIC”** means NBFC- Non-Deposit taking Systemically Important Core Investment Company;
- 1.3.16 **“New Equity Shares”** has the meaning given to it in Clause 4.5.1 of Part IV of this Scheme;
- 1.3.17 **“NCLT”** means National Company Law Tribunal Bengaluru, Karnataka, having jurisdiction in relation to both the Transferor Company and the Transferee Company;
- 1.3.18 **“NSE”** means the National Stock Exchange of India Limited;
- 1.3.19 **“RBI”** means the Reserve Bank of India;
- 1.3.20 **“Record Date”** means the date to be fixed by the Board of Directors of the Transferee Company, for the purpose of determining the shareholders of the Transferor Company to whom the New Equity Shares will be allotted by the Transferee Company in accordance with the Scheme



- 1.3.21 **“Registrar of Companies” or “RoC”** means the Registrar of Companies, Bengaluru, Karnataka, having jurisdiction over both the Transferor Company and the Transferee Company;
- 1.3.22 **“Rs.” or “INR”** means Indian Rupees, the lawful currency of the Republic of India;
- 1.3.23 **“Scheme” or “Scheme of Amalgamation” or “the Scheme” or “this Scheme”** means this scheme of amalgamation of the Transferor Company into and with the Transferee Company pursuant to Sections 230 – 232 and other relevant provisions of the Act, with such modifications and amendments as may be made from time to time, with the appropriate approvals and sanctions of the NCLT and other relevant Governmental Authorities, as may be required under the Applicable Laws;
- 1.3.24 **“SEBI”** means the Securities and Exchange Board of India;
- 1.3.25 **“SEBI Circulars”** means various circulars issued by the SEBI from time to time, which may be applicable to the Scheme;
- 1.3.26 **“SFB Guidelines”** means Guidelines for Licensing of Small Finance Banks in the Private Sector dated November 27, 2014 issued by the RBI read with the Guidelines for ‘on-tap’ Licensing of Small Finance Banks in Private Sector dated December 5, 2019 issued by the RBI;
- 1.3.27 **“Share Exchange Ratio”** has the meaning given to it in Clause 4.5.1. of Part IV of this Scheme;
- 1.3.28 **“Transferee Company”** means Ujjivan Small Finance Bank Limited, a company incorporated under the Companies Act, 2013 bearing Corporate Identification Number L65110KA2016PLC142162 and having its registered office at Grape Garden, No. 27, 3rd "A" Cross, 18th Main 6th Block, Koramangala Bengaluru 560095, Karnataka India;
- 1.3.29 **“Transferee Company Option Scheme”** has the meaning ascribed to it in Clause 4.8.1 of Part IV of this Scheme.
- 1.3.30 **“Transferor Company”** means Ujjivan Financial Services Limited, a company incorporated under the erstwhile Companies Act, 1956 bearing Corporate Identification Number L65999KA2004PLC035329 and having its registered office at Grape Garden, No. 27, 3rd "A" Cross, 18th Main 6th Block, Koramangala Bengaluru 560095, Karnataka India;
- 1.3.31 **“Transferor Company Option Scheme”** has the meaning ascribed to it in Clause 4.8.1 of Part IV of this Scheme; and

1.4 Interpretation

- 1.4.1 Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income-tax Act, 1961, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made thereunder), the Depositories Act, 1996 and other Applicable Laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.;
- 1.4.2 The terms “hereof”, “herein”, “hereby”, “hereto” and derivative or similar words used in this Scheme refers to this entire Scheme;
- 1.4.3 The words “including”, “include” or “includes” shall be interpreted in a manner as though the words “without limitation” immediately followed the same;



- 1.4.4 The words “other”, “or otherwise” and “whatsoever” shall not be construed ejusdem generis or be construed as any limitation upon the generality of any preceding words or matters specifically referred to;
- 1.4.5 Any document or agreement includes a reference to that document or agreement as varied, amended, supplemented, substituted, novated or assigned, from time to time, in accordance with the provisions of such a document or agreement;
- 1.4.6 The headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- 1.4.7 Any reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time, and any reference to legislation or statute includes any subordinate legislation made from time to time under such a legislation or statute and regulations, rules, notifications or circulars issued under such a legislation or statute;
- 1.4.8 Words in the singular shall include the plural and *vice versa*; and
- 1.4.9 References to one gender includes all genders.

PART II

2 RATIONALE OF THE SCHEME

- 2.1.1. As per the SFB Guidelines, the promoter of a small finance bank is required to reduce its equity shareholding stake in the small finance bank to 40% within a period of 5 years from the date of commencement of operations of small finance bank. Thereafter, the promoter's equity stake in such small finance bank is required to be brought down to 30% and then to 26%, within a period of 10 years and 12 years, respectively, from the date of commencement of operations of the small finance bank. Subsequently, an internal working group (IWG) was constituted by the RBI on June 12, 2020 to review the extant guidelines on ownership and corporate structure for Indian private sector banks. The IWG submitted a report dated November 20, 2020 through which a few recommendations were made to the RBI which *inter alia* included dilution of promoter shareholding. The RBI vide its press release dated November 26, 2021 has *inter alia* accepted the dilution aspects of promoter shareholding in the private sector banks and clarified that the submission of a dilution schedule shall be mandatory.
- 2.1.2. As per the RBI Clarifications, a promoter can exit or cease to be a promoter of small finance bank after completing lock-in of 5 (five) years depending upon the RBI's regulatory and supervisory comfort and SEBI regulations. The RBI vide its letter dated July 9, 2021 issued to the 'Association of Small Finance Banks of India', has allowed filing of an application with the RBI for amalgamation of a holding company (being promoter company) into and with the small finance bank (being subsidiary of promoter company).
- 2.1.3. The Transferor Company is the promoter of the Transferee Company, and the Transferor Company holds 73.68% (seventy-three point six eight percent) of the total paid-up equity share capital of the Transferee Company.
- 2.1.4. Accordingly, the proposed amalgamation of the Transferor Company (being the holding and promoter of the Transferee Company) into and with the Transferee Company, would *inter alia* enable meeting the dilution requirements referred in Clause 2.1.1. above, and is in line with the aforesaid enabling RBI guidance. Consequent to the proposed amalgamation as contemplated under this Scheme, and dissolution of the Transferor Company, the Transferor Company's shareholding in the Transferee Company would be reduced to NIL thereby resulting in compliance with the above-referred dilution requirements.

2.1.5. The proposed amalgamation would be in the best interest of the Transferor Company and the Transferee Company and their respective shareholders, employees, creditors and other stakeholders as the proposed amalgamation will yield advantages as set out *inter alia* below:

- i. The amalgamation would result in formation of a larger and stronger entity having greater capacity for conducting its operations more efficiently and competitively;
- ii. the amalgamation would avoid operational inefficiency in the group by operating one listed entity and create synergies;
- iii. the amalgamation would result in larger free public float for the combined listed entity as pursuant to coming into effect of the Scheme, the resultant listed entity would be entirely held by the public shareholders;
- iv. better administration and cost reduction, including reduction in administrative, legal and other costs associated with the Transferor Company;
- v. create value for stakeholders including respective shareholders, customers, and employees as the combined entity would benefit from operational efficiencies, optimal utilization of resources, improvement in productivity, cost-reduction etc.;
- vi. the Transferor Company currently carries on financial activity business in the nature of investments in bank deposits or other permissible securities and investment in shares of subsidiary and derives its value primarily from its investments in the Transferee Company, and therefore, pursuant to amalgamation the public shareholders of the Transferor Company would benefit by directly holding shares in the Transferee Company and derive value from the business of Transferee Company directly.

PART III

3 SHARE CAPITAL STRUCTURE OF TRANSFEROR COMPANY AND TRANSFEE COMPANY

3.1. Capital structure of Transferor Company:

3.1.1. The share capital of the Transferor Company as on October 12, 2022, was as under:

Share Capital	Amount in Rupees
Authorized Capital	
125,000,000 equity shares of Rs 10/- each	1,250,000,000
Total	1,250,000,000
Issued, Subscribed and Paid-up Share Capital*	
121,678,094 equity shares of Rs 10/- each	1,216,780,940
Total	1,216,780,940

*Certain ESOPs granted to the Eligible Employees under Transferor Company Options Scheme may get exercised before the Effective Date, which may result in an increase in the issued and paid-up share capital of the Transferor Company. The details of the unexercised ESOPs under Transferor Company Options Scheme as on October 12, 2022 are set out below:

Unexercised ESOPs under ESOP Scheme 2015**	Exercise price per option (Amount in Rupees)
830,253 options (vested)	385.05

** Upon exercise and payment of exercise price, the option holder will be entitled for allotment of 1 (one) equity share per stock option.

3.1.2. The equity shares of Transferor Company are listed on BSE and NSE.

3.2. Capital structure of Transferee Company:

3.2.1. The share capital of the Transferee Company as on October 12, 2022, was as under:

Share Capital	Amount in Rupees
Authorized Capital	
2,300,000,000 equity shares of Rs 10/- each	23,000,000,000
200,000,000 11% Preference Shares (Perpetual Non-Cumulative Non-Convertible) of Rs.10/- each	2,000,000,000
Total	25,000,000,000
Issued, Subscribed and Paid-up Share Capital#	
1,954,504,681 equity shares of Rs. 10/- each	19,545,046,810
200,000,000 11% Preference Shares (Perpetual Non-Cumulative Non-Convertible) of Rs.10/- each	2,000,000,000
Total	21,54,50,46,810

Certain ESOPs granted to the employees by the Transferee Company under the Transferee Company Options Scheme may get exercised before the Effective Date, which may result in an increase in the issued and paid-up share capital of the Transferee Company. The details of the unexercised ESOPs under the Transferee Company Options Scheme as on October 12, 2022 are set out below:

Unexercised ESOPs under ESOP Scheme 2019##	Exercise price per option (Amount in Rupees)
13,052,081 options (vested)	35.00
8,523,759 options (unvested)	35.00
13,033 options (vested)	30.75
52,133 options (unvested)	30.75
33,137 options (vested)	19.70
132,548 (unvested)	19.70
22,476,652 options (unvested)	19.95
115,025 options (unvested)	16.60
80,685 options (unvested)	16.70
101,094 options (unvested)	19.05

As on October 12, 2022, the Transferee Company has the below outstanding options:

- (a) Total vested Options : 1,30,98,251
- (b) Total unvested Options : 3,14,81,896

Upon exercise and payment of exercise price, the option holder will be entitled for allotment of 1 (one) equity share per stock option.

- 3.2.2.** The Transferee Company is a subsidiary of the Transferor Company wherein the latter holds 1,44,00,36,800 equity shares, representing 73.68% (seventy-three point six eight percent) of the total paid-up equity share capital and 200,000,000 preference shares, representing 100% (hundred percent) of the total paid-up preference share capital of the former as on October 12, 2022.

Further, out of 1,44,00,36,800 equity shares held by the Transferor Company in the Transferee Company, 34,56,44,634 equity shares, representing 17.68% (seventeen point sixty eight per cent) of the total paid-up equity capital of the Transferee Company are under lock-in for a period of 3 (three) years from the date of allotment in the IPO of the Transferee Company (i.e. till December 9, 2022), in terms of Regulation 16 (1) (a) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 *(as existed prior to amendments made to Regulation 16(1)(a) by Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Third Amendment) Regulations, 2021)*. On the joint request application dated November 01, 2021 made by the Transferor and Transferee Company, the SEBI vide its letter dated December 2, 2021 addressed to the Transferee Company has acceded to relax the said 3 (three) year lock-in to facilitate the scheme of amalgamation subject to receipt of no-objection certificates to be obtained from the stock exchanges (i.e., BSE and NSE) on the scheme and the period of exemption is from the approval of the proposed scheme by the NCLT till the expiry of the lock-in period, and compliance with applicable law.

PART IV

4 AMALGAMATION OF THE TRANSFEROR COMPANY INTO AND WITH THE TRANSFEE COMPANY

4.1. Transfer and vesting of the Transferor Company into and with the Transferee Company

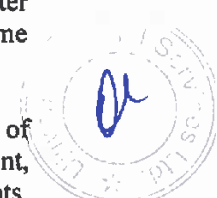
- 4.1.1.** Upon this Scheme becoming effective, and with effect from the Appointed Date, the Transferor Company will get amalgamated into and with the Transferee Company and all its assets, liabilities, contracts, employees, licenses, records, approvals etc. being integral parts of the Transferor Company shall stand transferred to and vest in or shall be deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, instrument or deed, together with all its properties, assets, liabilities, rights, benefits and interest therein, subject to the provisions of this Scheme, in accordance with Sections 230 - 232 of the Act, the Income-Tax Act, 1961 and the Applicable Laws if any, in accordance with the provisions contained herein.

- 4.1.2.** Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon this Scheme becoming effective and with effect from the Appointed Date:

- (a)** all assets of the Transferor Company, that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by vesting and recordal of whatsoever nature, including machinery, equipment, pursuant to this Scheme shall stand transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company, wherever located and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly;
- (b)** all other movable properties of the Transferor Company, including investments in shares and any other securities, sundry debtors, actionable claims, earnest monies, receivables, bills, credits, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits (including deposits from members), if

any, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Transferee Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. It is hereby clarified that investments, if any, made by Transferor Company and all the rights, title and interest of the Transferor Company in any leasehold properties shall, pursuant to Section 232 of the Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in and/or be deemed to have been transferred to and vested in the Transferee Company;

- (c) all immovable properties of the Transferor Company, if any, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall be vested in and/or be deemed to have been vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The relevant authorities shall grant all clearances/permissions, if any, required for enabling the Transferee Company to absolutely own and enjoy the immovable properties in accordance with Applicable Law. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by Governmental Authorities pursuant to the sanction of this Scheme by the NCLT and upon the Scheme becoming effective in accordance with the terms hereof;
- (d) the transfer and vesting of movable and immovable properties as stated above, shall be subject to Encumbrances, if any, affecting the same;
- (e) all Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to any liability, shall, after the Effective Date, without any further act, instrument or deed, continue to be related and attached to such assets or any part thereof to which they related or were attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that if any assets of the Transferor Company have not been Encumbered in respect of the liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company shall not be entitled to any additional security over the properties, assets, rights, benefits and interests of the Transferor Company and therefore, such assets which are not currently Encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or any third party shall not affect the operation of the foregoing provisions of this Scheme;
- (f) all estate, assets, rights, title, claims, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, of whatsoever nature and wherever situate, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company;
- (g) all contracts, agreements, licences, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings, whether written or otherwise, deeds, bonds, agreements,



schemes, arrangements and other instruments to which the Transferor Company is a party, or to the benefit of which, the Transferor Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall, without any further act, instrument or deed continue in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. If the Transferee Company enters into and/or issues and/or executes deeds, writings or confirmations or enters into any tripartite arrangements, confirmations or novations, the Transferor Company will, if necessary, also be party to such documents in order to give formal effect to the provisions of this Scheme, if so required. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of the Transferor Company;

- (h) any pending suits/appeals, all legal, taxation or other proceedings including before any statutory or quasi-judicial authority or tribunal or other proceedings of whatsoever nature relating to the Transferor Company, whether by or against the Transferor Company, whether pending on the Appointed Date or which may be instituted any time in the future, shall not abate, be discontinued or in any way prejudicially affected by reason of the amalgamation of the Transferor Company or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, as if this Scheme had not been implemented;
- (i) all the security interest over any moveable and/or immoveable properties and security in any other form (both present and future) including but not limited to any pledges, or guarantees, if any, created/executed by any person in favour of the Transferor Company or any other person acting on behalf of or for the benefit of the Transferor Company for securing the obligations of the persons to whom the Transferor Company has advanced loans and granted other funded and non-funded financial assistance, by way of letter of comfort or through other similar instruments shall without any further act, instrument or deed stand vested in and be deemed to be in favour of the Transferee Company and the benefit of such security shall be available to the Transferee Company as if such security was ab initio created in favour of the Transferee Company. The mutation or substitution of the charge in relation to the movable and immovable properties of the Transferor Company shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities and third parties (including any depository participants) pursuant to the sanction of this Scheme by the NCLT and upon the Scheme becoming effective in accordance with the terms hereof;
- (j) all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured (including rupee, foreign currency loans, time and demand liabilities, undertakings and obligations of the Transferor Company), of every kind, nature and description whatsoever and howsoever arising, whether provided for or not in the books of account or disclosed in the balance sheets of the Transferor Company shall be deemed to be the debts, liabilities, contingent liabilities, duties, and obligations of the Transferee Company, and the Transferee Company shall, and undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. All loans raised and used and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company after the Appointed Date and prior to the Effective Date, shall also 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, shall, upon the coming into effect of this Scheme, pursuant to the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same;

- (k) all debentures, bonds, notes or other securities of the Transferor Company whether convertible into equity or otherwise, shall, without any further act, instrument or deed become the securities of the Transferee Company and all rights, powers, duties and obligations in relation thereto shall be and shall stand transferred to and vested in or deemed to be transferred to and vested in and shall be exercised by or against the Transferee Company as if it were the Transferor Company. If the securities issued by the Transferor Company, including but not limited to debentures and bonds, are listed on any stock exchange, the same shall upon issuance/endorsement by the Transferee Company in terms of this Scheme, subject to applicable regulations and prior approval requirements, if any, be listed and/or admitted to trading on the relevant stock exchange(s) whether in India or abroad, where the securities were listed and/or admitted to trading on the same terms and conditions unless otherwise modified in accordance with the provisions hereof;
- (l) the Transferee Company shall be entitled to operate all bank accounts, realise all monies and complete and enforce all pending contracts and transactions in the name of the Transferor Company to the extent necessary until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under the Scheme is formally accepted and completed by the parties concerned. For avoidance of doubt, it is hereby clarified that all cheques and other negotiable instruments, payment orders received and presented for encashment which are in the name of the Transferor Company after the Effective Date, shall be accepted by the bankers of the Transferee Company and credited to the accounts of the Transferee Company, if presented by the Transferee Company. Similarly, the banker of the Transferee Company shall honour all cheques issued by the Transferor Company for payment after the Effective Date;
- (m) all letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, and other instruments of whatsoever nature to which the Transferor Company is a party to or to the benefit of which the Transferor Company may be eligible, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. Upon coming into effect of this Scheme, the past track record of the Transferor Company shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes;
- (n) all the staff and employees of the Transferor Company who are in such employment as on the Effective Date shall become, and be deemed to have become, the staff and employees of the Transferee Company, without any break or interruption in their services and on the same terms and conditions (and which are commercially not less favourable than those) on which they are engaged by the Transferor Company as on the Effective Date. The Transferee Company further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with the Transferor Company, shall also be taken into account. With regard to provident fund, gratuity, superannuation, leave encashment / balance leave transfer and any other special scheme or benefits created or existing for the benefit of such staff and employees of the Transferor Company, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, upon this Scheme becoming effective, including with regard to the obligation to make contributions to relevant authorities, such as the regional provident fund commissioner or to such other funds maintained by the Transferor Company, in accordance with the provisions of Applicable Laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Transferor Company for such purpose shall be treated as having been continuous.
- (o) with regard to any provident fund, gratuity fund, pension, superannuation fund or other special fund created or existing for the benefit of such staff and employees of the Transferor Company, it is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such schemes or funds

shall become those of the Transferee Company. Upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. Any existing provident fund, gratuity fund and superannuation fund trusts created by the Transferor Company for its staff and employees shall be continued for the benefit of such staff and employees on the same terms and conditions until such time that they are transferred to the relevant funds of the Transferee Company. It is clarified that the services of all staff and employees of the Transferor Company transferred to the Transferee Company will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds. Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Laws, shall be entitled to: (i) retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company; or (ii) merge the pre-existing fund of the Transferor Company with other similar funds of the Transferee Company;

- (p) the Transferee Company agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, the past services of the staff and employees with the Transferor Company, if any, as the case may be, shall also be taken into account, and agrees and undertakes to pay the same as and when payable;
- (q) all trademarks, trade names, service marks, copyrights, logos, corporate names, brand names, domain names and all registrations, applications and renewals in connection therewith, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information belonging to the Transferor Company shall stand transferred to and vested in the Transferee Company;
- (r) all registrations, goodwill and licenses, appertaining to the Transferor Company, if any, shall transferred to and vested in the Transferee Company;
- (s) all taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax, withholding tax, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, goods and services tax, customs, duties, etc.), including any interest, penalty, surcharge and cess, if any, payable by or refundable to the Transferor Company, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company;
- (t) all approvals, allotments, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, pre-qualifications, bid acceptances, tenders, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions (including but not limited to permissions granted in relation to launch futures and options contracts) and certificates of every kind and description whatsoever in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective in accordance

with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes;

- (u) benefits of any and all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise, including without limitation approvals under Sections 42, 62(1)(a), 180, 185, 186, 188 etc., of the Act, read with the rules and regulations made thereunder, shall stand transferred to the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Transferee Company; it being clarified that if any such resolutions have any monetary limits approved subject to the provisions of the Act and of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of the Transferee Company, shall be added to the limits, if any, under the like resolutions passed by the Transferee Company;
- (v) all bank accounts operated or entitled to be operated by the Transferor Company shall be deemed to have transferred and shall stand transferred to the Transferee Company and names of the Transferor Company shall be substituted by the name of the Transferee Company in the bank's records;
- (w) all the property, assets and liabilities of the Transferor Company shall be transferred to the Transferee Company at the values appearing in the books of account of the Transferor Company at the close of business of the day immediately preceding the Appointed Date;
- (x) all public deposits, debentures or bonds of the Transferor Company shall be distinctly identified in the records of the Transferee Company for all intents and purposes including taxation and accounting and shall not be combined with any existing outstanding deposit scheme or series of debentures or bonds of the Transferee Company;
- (y) all the benefits under the various incentive schemes and policies that the Transferor Company is entitled to, including tax credits, tax deferral, exemptions and benefits (including sales tax and service tax), subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed by the Transferor Company and all rights or benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, shall upon this Scheme becoming effective and with effect from the Appointed Date be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever, shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive schemes and or policies;
- (z) where any of the debts, liabilities, duties and obligations incurred before the Appointed Date by the Transferor Company, deemed to have been transferred to the Transferee Company by virtue of this Scheme, have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company;
- (aa) without prejudice to the generality of the foregoing, all lease agreements and leave and license agreements, as the case may be, to which the Transferor Company is a party, and having effect immediately before the Effective Date, shall remain in full force and effect on the terms and conditions contained therein in favour of or against the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder; and the respective lessees and the licensees, as the case may be, shall continue to be in possession of the premises subject to the terms and conditions contained in the relevant lease agreements or leave and license agreements, as the case may be. Further, all the rights, title, interest and claims of the Transferor Company in any properties including leasehold/ licensed properties of the Transferor Company including but not

limited to security deposits and advance or prepaid lease or license fee, shall, on the same terms and conditions, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company automatically without requirement of any further act or deed. The Transferee Company shall continue to pay rent or lease or license fee as provided for under such agreements, and the Transferee Company shall continue to comply with the terms, conditions and covenants thereunder;

- (bb) any liabilities, 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 or which may at any time in future become due between the Transferor Company and Transferee Company shall, ipso facto, 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; and
 - (cc) for the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme and with effect from the Appointed Date, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to 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.
- 4.1.3. Without prejudice to aforesaid and other provisions of this Scheme, it is hereby clarified that upon this Scheme becoming effective, all existing contracts, arrangements or agreements, between the Transferor Company and Transferee Company, shall stand terminated and extinguished.
- 4.1.4. The Transferor Company and/or the Transferee Company as the case may be, shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under Applicable Laws or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Transferor Company. It is hereby clarified that if the consent of any third party or Governmental Authority, if any, is required to give effect to the provisions of this Clause, the said third party or Governmental Authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective in accordance with the provisions of the Act and with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.
- 4.1.5. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.
- 4.1.6. Without prejudice to the other provisions of the Scheme and notwithstanding the vesting of the Transferor Company into the Transferee Company by virtue of Part IV of the 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 Applicable Laws or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement in relation to which the Transferor Company has been a party, including any filings with the regulatory authorities in order to give formal effect to the above provisions and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company. The Transferee Company will, if necessary, also be a party to the above.

4.2. Conduct of business until the Effective Date

- 4.2.1. The Transferor Company and the Transferee Company have agreed that during the period between the approval of the Scheme by the respective Boards of the Transferor Company and the Transferee Company and up to the Effective Date, the business of the Transferor Company and the Transferee Company shall be carried out with reasonable diligence and business prudence in the ordinary course consistent with past practice, in good faith and in accordance with Applicable Laws.
- 4.2.2. Till the Scheme becomes effective, the Transferor Company and the Transferee Company shall be free to increase or alter in any other manner their respective authorized, issued, subscribed and paid-up share capital as may be required by the respective business requirements or for ensuring compliance with Applicable Laws. In the event of any increase in the issued, subscribed or paid up share capital or restructuring of the share capital of either of Transferor Company or the Transferee Company (other than allotment of shares pursuant to exercise of stock options under their respective existing stock option schemes or conversion of the convertible securities) including by way of share split/ consolidation/ issue of bonus shares or other similar action during pendency of the Scheme, the Share Exchange Ratio shall be adjusted appropriately and the same shall be approved by the Boards of both Transferor Company and Transferee Company.
- 4.2.3. With effect from the Appointed Date and up to and including the Effective Date:
- (a) the Transferor Company undertakes to carry on and shall be deemed to have carried on its business activities and stand possessed and shall be deemed to have held and stood possessed of the properties and assets pertaining to the Transferor Company, for and on account of and in trust for the Transferee Company;
 - (b) the Transferor Company hereby undertakes to hold its said assets with utmost prudence in the ordinary course of business until the Effective Date;
 - (c) all profits and income accruing to the Transferor Company, and losses and expenditure incurred by it (including taxes, if any, accruing or paid in relation to any profits or income), for the period from the Appointed Date based on the accounts of the Transferor Company shall, subject to the Scheme being effective, for all purposes, be treated as the profits, income, losses or expenditure, as the case may be, of the Transferee Company;
 - (d) all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of the Transferor Company which arise or accrue to the Transferor Company on or after the Appointed Date, shall be deemed to be of the Transferee Company;
 - (e) all assets and properties comprised in the Transferor Company as on the date immediately preceding the Appointed Date, whether or not included in the books of the Transferor Company and all assets and properties relating thereto, which are acquired by the Transferor Company, on or after the Appointed Date, shall be deemed to be the assets and properties of the Transferee Company; and
 - (f) any of the rights, powers, authorities, privileges exercised by the Transferor Company shall be deemed to have been exercised by such Transferor Company for and on behalf of, and in trust for the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by Transferor Company shall be deemed to have been undertaken for and on behalf of the Transferee Company.
- 4.2.4. For the purpose of giving effect to the order passed under Sections 230 – 232 and other applicable provisions of the Act in respect of this Scheme by the NCLT, the Transferee Company shall, at any time, pursuant to the order on this Scheme, be entitled to get the recordal



of the change in the legal right(s) upon the transfer of the Transferor Company, in accordance with the provisions of Sections 230 - 232 of the Act. The Transferee Company is and shall always be deemed to have been authorised to execute any pleadings, applications, forms etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme, pursuant to the sanction of this Scheme by the NCLT.

4.2.5. Upon this Scheme becoming effective, the Transferee Company, unconditionally and irrevocably, agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of the Transferor Company with effect from the Appointed Date, in order to give effect to the foregoing provisions.

4.2.6. The transfer and vesting of the assets, liabilities and obligations of the Transferor Company and the continuance of the proceedings by or against the Transferee Company shall not affect any transaction or proceedings already completed by the Transferor Company on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and / or on behalf of the Transferor Company as acts, deeds and things made, done and executed by and on behalf of the Transferee Company.

4.3. Dissolution of Transferor Company

4.3.1. Upon this Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up, without any further act, instrument or deed.

4.4. Combination and re-classification of authorized share capital

4.4.1. As an integral part of the Scheme and upon this Scheme becoming effective, the authorized share capital of the Transferor Company shall stand transferred to and be amalgamated/combined with the authorized share capital of the Transferee Company. The fees or stamp duty, if any, paid by the Transferor Company on its authorized share capital shall be deemed to have been so paid by the Transferee Company on the combined authorized share capital, and the Transferee Company shall not be required to pay any fee/ stamp duty for the increase of the authorized share capital. Subject to approval of the RBI, if required, the authorised share capital of the Transferee Company will automatically stand increased to that effect and shall further be re-classified by simply filing the requisite forms with the relevant Registrar of Companies and no separate procedure or instrument or deed shall be required to be followed under the Act.

4.4.2. Further, subject to approval of the RBI, if required, Clause V of the memorandum of association of the Transferee Company shall, upon this Scheme becoming effective, and without any further act, instrument or deed, be replaced by the following clause:

"The authorized share capital of the Company is Rs. 26,250,000,000 (Rupees Two Thousand Six Hundred and Twenty Five Crore) divided into 2,625,000,000 (Two Hundred Sixty Two Crores and Fifty Lakh) equity shares of Rs. 10/- (Rupees Ten) each, with the power to increase, reduce, modify the capital and to divide, classify, reclassify and attach special rights, privileges, conditions or restrictions."

4.4.3. The approval of this Scheme by shareholders of the Transferee Company under sections 230 to 232 of the Act, whether at a meeting or otherwise, or any dispensation of the same by the NCLT, if any, shall be deemed to have been an approval under section 13, section 61 and 64 or any other applicable provisions under the Act in relation to increase or reclassification of authorized share capital, and no further resolution(s) would be required to be separately passed in this regard.

4.5. Payment of Consideration

- 4.5.1. Upon coming into effect of this Scheme and in consideration of the amalgamation of the Transferor Company in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Company whose names are recorded in the register of members as a member of the Transferor Company on the Record Date (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of the Transferee Company), 116 (One hundred and sixteen) equity shares of the face value of Rs. 10 (Rupees ten) each of Transferee Company, credited as fully paid-up, for every 10 (ten) equity shares of the face value of Rs. 10 (Rupees ten) each fully paid-up held by such member in the Transferor Company ("**Share Exchange Ratio**"). The shares to be issued by the Transferee Company to the shareholders of the Transferor Company in accordance with this Clause 4.5.1 of Part IV shall be hereinafter referred to as "**New Equity Shares**".
- 4.5.2. The Transferor Company have engaged Mr. Prakash Adiga B, Chartered Accountant (IBBI Regn. No. IBBI/RV/03/2019/11780), registered valuer, to provide a valuation report. In connection with such engagement, Mr. Prakash Adiga B has issued a valuation report dated October 14, 2022.
- 4.5.3. The Transferee Company have engaged M/s JBPR Valuation Advisory LLP (IBBI Regn No.: IBBI/RV-E/05/2021/150), to provide a valuation report. In connection with such engagement, M/s. JBPR Valuation Advisory LLP have issued a valuation report dated October 14, 2022.
- 4.5.4. The Transferor Company had engaged DAM Capital Advisors Limited as the merchant bankers to provide a fairness opinion on the Share Exchange Ratio adopted under the Scheme. In connection with such engagement, DAM Capital Advisors Limited has issued a fairness opinion dated October 14, 2022.
- 4.5.5. The Transferee Company had engaged IIFL Securities Limited as the merchant bankers to provide a fairness opinion on the Share Exchange Ratio adopted under the Scheme. In connection with such engagement, IIFL Securities Limited has issued a fairness opinion dated October 14, 2022.

4.6. Issuance Mechanics

- 4.6.1. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, as the case may be, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the shares in the Transferor Company and in relation to the shares issued by the Transferee Company, after the effectiveness of the Scheme. The Board of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Transferee Company on account of difficulties faced in the transition period.
- 4.6.2. Where New Equity Shares of the Transferee Company are to be allotted to heirs, executors or administrators, as the case may be, to successors of deceased equity shareholders or legal representatives of the equity shareholders of the Transferor Company, the concerned heirs, executors, administrators, successors or legal representatives shall be obliged to produce evidence of title satisfactory to the Board of the Transferee Company.
- 4.6.3. The New Equity Shares of the Transferee Company allotted and issued in terms of Clause 4.5.1 of Part IV above, shall be listed and/or admitted to trading on the BSE and the NSE. The New Equity Shares of the Transferee Company shall, however, be listed subject to the Transferee Company obtaining the requisite approvals from all the relevant Governmental Authorities pertaining to the listing of the New Equity Shares of the Transferee Company. The Transferee

Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Applicable Laws for complying with the formalities of the BSE and the NSE.

- 4.6.4. The New Equity Shares of the Transferee Company to be allotted and issued to the shareholders of the Transferor Company as provided in Clause 4.5.1 of Part IV above, shall be subject to the provisions of the memorandum and articles of association of the Transferee Company and shall rank *pari passu* in all respects with the then existing equity shares of the Transferee Company after the Effective Date including in respect of dividend, if any, that may be declared by the Transferee Company on or after the Effective Date.
- 4.6.5. It is clarified that the issue and allotment of New Equity Shares by the Transferee Company to the shareholders of the Transferor Company as provided in the Scheme, is an integral part thereof and shall be deemed to have been carried out without requiring any further act on the part of the Transferee Company or its shareholders and as if the procedure laid down under Section 62 or any other applicable provisions of the Act, as may be applicable, and such other statutes and regulations as may be applicable were duly complied with.
- 4.6.6. If any member becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of the New Equity Shares by the Transferee Company in accordance with Clause 4.5.1 of Part IV above, then, all such fractional entitlements shall be aggregated and rounded off to the nearest highest integer, and such aggregated shares shall be held in trust nominated by the Board of Transferee Company in that behalf, who shall sell such aggregated shares in the market, within 90 days from the date of allotment of shares, as per the Scheme and distribute the net sale proceeds (after deduction of applicable taxes and costs incurred) to the concerned shareholders of the Transferor Company in proportion to their respective fractional entitlements.
- Within 7 (seven) days of compensating the shareholders, the Transferee Company shall submit to the designated stock exchange, the report of its Audit Committee and of Independent Directors certifying that the Transferee Company has compensated the eligible shareholders.
- 4.6.7. The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities, including the NSE and the BSE, for the issue and allotment by the Transferee Company of the New Equity Shares to the members of the Transferor Company pursuant to the Scheme.
- 4.6.8. The New Equity Shares issued to the members of the Transferor Company by the Transferee Company shall be issued in dematerialised form by the Transferee Company, provided that the details of the depository accounts of the members of the Transferor Company are made available to the Transferee Company by the Transferor Company at least two (2) working days prior to the Effective Date. In the event that such details are not available with the Transferee Company or for such members of the Transferor Company which hold the shares of the Transferor Company in physical form, it shall issue the New Equity Shares to the members of the Transferor Company in physical form. Wherever applicable, the Transferee Company may, instead of requiring the members of the Transferor Company to surrender their share certificates, directly issue and dispatch the new share certificates of Transferee Company in lieu thereof.
- 4.6.9. The shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing/trading permission is given by the BSE and the NSE, as the case may be.
- 4.6.10. The New Equity Shares to be issued by the Transferee Company pursuant to Clause 4.5.1 of Part IV above in respect of such equity shares of the Transferor Company as are subject to lock-in pursuant to Applicable Laws shall be locked-in as and to the extent required under Applicable Laws.
- 4.6.11. Upon this Scheme becoming effective and upon the New Equity Shares of the Transferee Company being allotted and issued by it to the shareholders of Transferor Company whose names appear on the register of members as a member of the Transferor Company on the Record

Date or whose names appear as the beneficial owners of the equity shares of the Transferor Company in the records of the depositories/register of members, as the case may be, as on the Record Date, the equity shares and preference shares of Transferor Company, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date.

4.6.12. The New Equity Shares to be issued by the Transferee Company pursuant to Clause 4.5.1 of Part IV above in respect of such equity shares of the Transferor Company, the allotment or transfer of which is held in abeyance under Applicable Laws shall, pending allotment or settlement of dispute by order of the appropriate court or otherwise, also be kept in abeyance in like manner by the Transferee Company.

4.6.13. The Transferee Company shall comply with relevant and applicable rules and regulations including provisions of Foreign Exchange Management Act, 1999 while issuing New Equity Shares to non-residents. If it is impracticable for the Transferee Company to issue New Equity Shares or distribute any portion of the net sale proceeds of aggregated fractional entitlements (as provided under Clause 4.6.6. of part IV above), due to any restriction and / or condition under Applicable Laws, or due to any other reason, then, such New Equity Shares or undistributed portion of net sale proceeds, as the case may be, shall be held in abeyance and dealt with as per Applicable Laws or in the manner which is not disadvantageous to the concerned shareholders as the Board of Transferee Company may deem fit.

4.7. Cancellation of shares held by the Transferor Company in the Transferee Company

4.7.1. Upon the Scheme becoming effective, the equity shares held by the Transferor Company in Transferee Company, shall stand cancelled and extinguished without any further act, application or deed., Similarly, upon the Scheme becoming effective, the preference shares held by the Transferor Company in the Transferee Company shall stand cancelled and extinguished without any further act, application or deed. The aforesaid reduction of share capital of Transferee Company shall be effected as an integral part of this Scheme itself, and not under a separate procedure, in terms of Section 66 and other applicable provisions of the Act, and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under Section 66 and other applicable provisions of the Act, confirming such reduction of share capital. The consent of the shareholders and creditors of the Transferee Company to this Scheme shall be deemed to be the consent of its respective shareholders and creditors for the purpose of effecting the reduction under the provisions of Section 66 and other applicable provisions of the Act as well and no further compliances would be separately required. The reduction of capital of Transferee Company, as aforesaid, does not involve any diminution of liability in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form. The Transferee Company shall not be required to add the words "and reduced" as suffix to its name consequent upon the reduction of its share capital as an integral part of this Scheme.

4.7.2. Pursuant to cancellation of equity shares held by the Transferor Company in the Transferee Company and issuance and allotment of New Equity Shares, 100% per cent equity shareholding of the Transferee Company would be held by the public shareholders, with no person acting as 'promoter' in the Transferee Company. The necessary amendments to the articles of association of the Transferee Company, to delete reference of the promoter therefrom and to make other suitable revisions, would be carried out once the Scheme comes into effect, by obtaining the requisite approvals including approval of the shareholders as required under Section 14 of the Act.

4.8. Employee Stock Option Plan

4.8.1. With respect to the stock options granted to Eligible Employees by the Transferor Company under the employees stock options scheme of the Transferor Company titled 'ESOP Scheme 2015' (the "**Transferor Company Option Scheme**"), upon coming into effect of this Scheme, the Transferee Company shall issue stock options to Eligible Employees taking into account the

Share Exchange Ratio and on the same terms and conditions as (and which are not less favourable than those) provided in the Transferor Company Option Scheme. Such stock options may be issued by the Transferee Company either under its existing stock option scheme or a revised employee stock option scheme ("**Transferee Company Option Scheme**").

- 4.8.2. It is hereby clarified that upon this Scheme becoming effective, stock options granted by the Transferor Company to the Eligible Employees, including the employees of the Transferee Company, under the Transferor Company Option Scheme shall automatically stand cancelled and extinguished. Accordingly, upon such cancellation, the fresh stock options shall be granted by the Transferee Company to the Eligible Employees on the basis of the Share Exchange Ratio (i.e. for every 10 (ten) stock options held by an Eligible Employee in the Transferor Company, such Eligible Employee will be conferred 116 (One hundred sixteen) stock options in the Transferee Company which shall entitle him to acquire 116 (One hundred sixteen) equity shares in the Transferee Company), such that the Eligible Employees shall, as stock option holders of the Transferee Company, enjoy the same economic benefit as they would have received under the Transferor Company Option Scheme. Fractional entitlements, if any, arising pursuant to the applicability of the Share Exchange Ratio as above shall be rounded off to the nearest higher integer. The exercise price payable for stock options granted by the Transferee Company to the Eligible Employees shall be based on the exercise price payable by such Eligible Employees under the Transferor Company Option Scheme as adjusted after taking into account the effect of the Share Exchange Ratio.
- 4.8.3. On the Effective Date, the provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended to date, and erstwhile SEBI (Share Based Employee Benefits) Regulations, 2014, if and to the extent relevant, shall apply, to the extent applicable, to the stock options granted by the Transferee Company under the Transferee Company Option Scheme in pursuance of this Scheme.
- 4.8.4. The approval granted to the Scheme by the shareholders, the RBI, and/or any other regulatory authority shall be deemed to be approval granted to any modifications made to the Transferor Company Option Scheme by the Transferor Company and approval granted to the Transferee Company Option Scheme to be adopted by the Transferee Company.
- 4.8.5. It is hereby clarified that in relation to the options granted by the Transferee Company to the Eligible Employees, the period during which the stock options granted by the Transferor Company were held by or deemed to have been held by the Eligible Employees shall be taken into account for determining the minimum vesting period required under Applicable Law or agreement or deed for stock options granted under the Transferor Company Option Scheme or the Transferee Company Option Scheme, as the case may be.
- 4.8.6. The Board of Directors of the Transferor Company and Transferee Company or any of the committee(s) thereof, including the compensation committee, if any, shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause of the Scheme.

4.9 Accounting treatment

- 4.9.1 Pursuant to the Scheme coming into effect, the Transferee Company shall account for the Scheme in its books of accounts in accordance with the applicable Accounting Standards in the following manner:
- (i) The Transferee Company shall follow the method of accounting as prescribed for the pooling of interest method under Accounting Standard 14 as prescribed under Section 133 of the Act.
 - (ii) The Transferee Company shall, upon the Scheme become effective and with effect from the Appointed Date, record the assets and liabilities of the Transferor Company transferred to and vested in it pursuant to this Scheme at their respective book values as

- appearing in the books of the Transferor Company as at the close of business of a day immediately preceding the Appointed Date.
- (iii) The share capital (including preference share capital) held by the Transferor Company in the Transferee Company shall stand cancelled and extinguished upon the Scheme becoming effective.
 - (iv) In respect of the inter-company outstanding balances between the Transferor Company and Transferee Company, the respective obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company.
 - (v) The Transferee Company shall issue and allot equity shares to the shareholders of the Transferor Company in accordance with the Clause 4.6 above and credit the face value of such equity shares to its share capital account.
 - (vi) The balances in reserves (whether capital or revenue or statutory or arising on revaluation) as appearing in the books of the Transferor Company as at the close of business of a day immediately preceding the Appointed Date shall be recorded in the books of the Transferee Company as required by applicable accounting standards.
 - (vii) The difference between the amount recorded as share capital issued and the amount of share capital of the Transferor Company, after making the adjustment as per clause 4.8. (with respect to stock options to be granted by Transferee Company against the stock options of Transferor Company as per the Share Exchange Ratio and ensuring necessary compliance), shall be recorded in Capital Reserves of Transferee Company.
 - (viii) In case of any difference in accounting policy between the Transferor Company and Transferee Company, the accounting policies followed by the Transferee Company will prevail. The effects on the financial statements of any changes in accounting policies shall be reported in accordance with Accounting Standard (AS) 5, Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.
 - (ix) Notwithstanding the above the Board of Directors of the Transferee Company are authorised to account for any of these balances in any manner whatsoever, as may be deemed fit in accordance with the applicable accounting standards under the Act and applicable RBI regulations and applicable generally accepted accounting principles as applicable to the Transferee Company.

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

4.10 Reduction of Securities Premium Account

4.10.1 Immediately upon the Scheme becoming effective and with effect from the Appointed Date:

- (i) The debit balance in the capital reserve, if any, arising pursuant to the amalgamation of the Transferor Company with the Transferee Company on the Appointed Date, pursuant to accounting treatment as contemplated under Clause 4.9 herein above, shall be set-off against the resulting Securities Premium Account (as adjusted after recording of balance in Securities Premium account of the Transferor Company pursuant to accounting treatment as referred to in Clause 4.9 above).
- (ii) The reduction of the debit balance in the capital reserve against the amounts held in the Securities Premium Account as set out in Clause 4.10.(i) herein above does not involve the reduction of the issued, subscribed and paid-up share capital of the Transferee Company. Further, the reduction does not envisage the transfer or vesting of any of the properties and/or liabilities of the Transferee Company to any person.
- (iii) The approvals including approvals from the shareholders of the Transferee Company received pursuant to the provisions of the sections 230 to 232 of the Act under this

Scheme shall be deemed to be sufficient approval(s) for giving effect to the provisions of this Clause 4.10 including under Section 52, Section 66 and the other related provisions of the Act. The Transferee Company shall not, nor shall be obliged to, (i) call for a separate meeting of its shareholders and creditors for obtaining their approval sanctioning the reduction of the Securities Premium Account after the approval of the Scheme; or (ii) obtain any additional approvals / compliances under section 66 and other applicable provisions of the Act.

- (iv) The reduction in the Securities Premium Account (as an integral part of the Scheme) in accordance with this Clause 4.10 is in accordance with the provisions of Section 230 to 232 read with Section 52 of the Act, as the same does not result in the extinguishment or diminution of any liability in respect of the unpaid share capital of the Transferee Company or payment to any shareholder of any paid-up share capital of the Transferee Company and the order of the NCLT sanctioning the Scheme shall be deemed to be an order under Section 230 of the Act confirming such reduction of share capital of the Transferee Company. The reduction in the Securities Premium Account in the manner contemplated in this Scheme would not have any impact on the shareholding pattern of the Transferee Company nor would it have any adverse impact on the creditors or employees of the Transferee Company. The order of the NCLT sanctioning this Scheme shall also be deemed to be an order passed under Sections 66, 52 and other applicable provisions of the Act for the purpose of confirming the reduction.
- (v) Notwithstanding the reduction in the Securities Premium Account, the Transferee Company shall not be required to add 'And Reduced' as a suffix to its name. The reduction in the Securities Premium Account shall be effected as an integral part of the Scheme and in accordance with the applicable provisions of the Act without any further act or deed on the part of the Transferee Company.

PART-V

5. GENERAL TERMS AND CONDITIONS

5.1. Provisions applicable to PART IV

5.1.1. Upon the sanction of this Scheme by the NCLT and upon this Scheme becoming effective, the following shall be deemed to have occurred on the Appointed Date and become effective and operative only in the sequence and in the order mentioned hereunder:

- (i) amalgamation of the Transferor Company into and with the Transferee Company in accordance with Part IV of this Scheme;
- (ii) transfer of the authorised share capital of the Transferor Company to the Transferee Company as provided in Part IV of this Scheme, and consequential increase and re-classification of the authorised share capital of the Transferee Company as provided in Part IV of this Scheme;
- (iii) reduction of issued and paid-up share capital of the Transferee Company as provided in Part IV of this Scheme;
- (iv) issuance and allotment of New Equity Shares to the shareholders of the Transferor Company as on the Record Date, without any further act, instrument or deed, in accordance with Part IV of this Scheme; and
- (v) dissolution of the Transferor Company without winding up.

5.2. Compliance with Applicable Laws

- 5.2.1 This Scheme is presented and drawn up to comply with the provisions/requirements of Sections 230 - 232 of the Act, for the purpose of the amalgamation of the Transferor Company into and with the Transferee Company.
- 5.2.2 This Scheme has been drawn up to comply with the conditions relating to "amalgamation" as specified under the tax laws, including Section 2 (1B) and other relevant sections of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the Income Tax Act, 1961 shall prevail. The Scheme shall then stand modified to the extent deemed necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Transferor Company and Transferee Company, which power shall be exercised reasonably in the best interests of the companies concerned and their stakeholders.
- 5.2.3 Upon this Scheme becoming effective, the Transferee Company is expressly permitted to prepare and/or revise their financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961 (including for minimum alternate tax purposes and tax benefits), service tax law and other tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax), and to claim tax benefits under the Income Tax Act, 1961, etc., and for matters incidental thereto, if required to give effect to the provisions of this Scheme. The order of the jurisdictional NCLT sanctioning the Scheme shall be deemed to be an order of the competent authority permitting the Transferee Company to prepare and/or revise its financial statements and books of accounts and no further act shall be required to be undertaken by the Transferee Company.

5.3. Consequential matters relating to tax

- 5.3.1 All tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date by the Transferor Company. In the event of the Transferor Company failing to continue or enforce any proceeding/appeal, the same may be continued or enforced by the Transferee Company, at the cost of the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.
- 5.3.2 Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company into and with the Transferee Company or anything contained in the Scheme.
- 5.3.3 Upon the Scheme becoming effective, any advance tax, self-assessment tax, minimum alternate tax and/or TDS credit available or vested with the Transferor Company, including any taxes paid and taxes deducted at source and deposited by the Transferee Company on inter se transactions during the period between the Appointed Date and the Effective Date shall be treated as advance tax paid by the Transferee Company and shall be available to Transferee Company for set-off against its liability under the Income Tax Act, 1961 and any excess tax so paid shall be eligible for refund together with interest.

5.4. Saving of concluded transactions

- 5.4.1. The transfer of assets, properties and liabilities and the continuance of proceedings by or against the Transferor Company under Clause 4.1. of Part IV of the Scheme above shall not affect any transaction or proceedings already concluded by the Transferor Company on and after the Appointed Date until the Effective Date, to the end and intent that the Transferee Company

accept and adopt all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

5.5. Dividends

- 5.5.1. The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date, but only in the ordinary course of business.
- 5.5.2. It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the either of Transferor Company or the Transferee Company 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 Company and the Transferee Company, and if applicable in accordance with the provisions of the Act, be subject to the approval of the shareholders of the Transferor Company and/or the Transferee Company, as may be applicable.

5.6. Interpretation

- 5.6.1. If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any provisions of Applicable Laws at a later date, whether as a result of any amendment of Applicable Laws or any judicial or executive interpretation or for any other reason whatsoever, the provisions of the Applicable Laws shall prevail. Subject to obtaining the sanction of the NCLT and/or any Governmental Authority, if necessary, this Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will, however, not affect other parts of this Scheme. Notwithstanding the other provisions of this Scheme, the power to make such amendments/modifications as may become necessary, whether before or after the Effective Date, shall, subject to obtaining the sanction of the NCLT and/or any Governmental Authority, if necessary, vest with the Board of Directors of the Transferor Company and the Transferee Company, as applicable,, which power shall be exercised reasonably in the best interests of the Transferor Company and the Transferee Company and their respective shareholders.

5.7. Application to the NCLT

- 5.7.1 The Transferor Company and the Transferee Company shall make joint application and/or petition under Sections 230 to 232 of the Act and other applicable provisions of the Act to the NCLT for approval of the Scheme and all matters ancillary or incidental thereto, as may be necessary to give effect to the terms of the Scheme.
- 5.7.2 Upon this Scheme becoming effective, the shareholders of the Transferor Company and the Transferee Company shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme.

5.8. Modifications or amendments to the Scheme

- 5.8.1 The Transferor Company and the Transferee Company, acting through their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise including any committee or subcommittee thereof, may, jointly and as mutually agreed in writing, assent to/make and/or consent to any modifications/amendments to the Scheme, or to any conditions or limitations that the NCLT or any Governmental Authority under Applicable Law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e., the Board of Directors), or modify, vary or withdraw this Scheme prior to the Effective Date in any manner at any time. The Transferor Company and the Transferee Company, acting through their respective Boards of Directors or such other person or persons, as the respective Board of Directors may authorise including any committee or subcommittee thereof, be and are hereby authorised to take such steps as may be necessary, desirable or proper to resolve any doubts,

difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any orders of the NCLT or of any directive or orders of any other Governmental Authority or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

- 5.8.2 In case, post approval of the Scheme by the NCLT, there is any confusion in interpreting any Clause of this Scheme, or otherwise, the Board of Directors of the Transferor Company and the Transferee Company shall have complete power to take the most sensible interpretation so as to render the Scheme operational.
- 5.8.3 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferor Company and the Transferee Company and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.
- 5.8.4 If any part of this Scheme is invalid, ruled illegal or rejected by the NCLT, or unenforceable under present or future laws, then it is the intention of the Transferor Company and the Transferee Company that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to either the Transferor Company or Transferee Company, in which case the Transferor Company and the Transferee Company, acting through their respective Boards of Directors, shall attempt to bring about a modification in this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part, which is invalid, ruled illegal or rejected by the NCLT, or unenforceable under present or future Applicable Laws.

5.9. Conditionality to effectiveness of the Scheme

5.9.1. The Scheme is conditional and subject to the following:

- (i) the approval of the RBI in terms of RBI Master Directions – Amalgamation of Private Sector Banks, Directions, 2016 dated April 21, 2016 and RBI certification under Section 44(B)(1) of the Banking Regulation Act, 1949;
- (ii) no-objection of BSE and the NSE and SEBI comments as per Regulation 37 and Regulation 94 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“**SEBI LODR**”) read with SEBI Circulars;
- (iii) the Scheme being approved by the requisite majority of each classes of members and/or creditors (where applicable) of the Transferor Company and Transferee Company in accordance with the Applicable Laws and as may be directed by the NCLT. Further, the Scheme is conditional upon Scheme being approved by the public shareholders through e-voting in terms of Para (A)(10)(a) of Part-I of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 and the Scheme shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it in terms of Para (A)(10)(b) of Part-I of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021;
- (iv) the Scheme having been sanctioned by the NCLT;
- (v) fulfilment of any compliance(s), condition(s) etc., if any, stipulated by the RBI, BSE, NSE and / or any other relevant Governmental Authority prior to effecting the Scheme;
- (vi) receipt of such other sanction(s), approval(s) etc., of any other Governmental Authority as may be required by Applicable Laws in respect of the Scheme; and

(vii) certified copy of the NCLT order sanctioning the Scheme being filed with the jurisdictional RoC by both the Transferor Company and the Transferee Company.

5.9.2. The Scheme shall not come into effect unless the aforementioned conditions mentioned in Clause 5.9.1 of Part V above are satisfied and in such an event, unless each of the conditions are satisfied, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person.

5.10. Costs, charges and expenses

5.10.1 All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto on or prior to the Effective Date shall be borne by the Transferor Company and the Transferee Company respectively.

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

5.11. Residual Provisions

5.11.1 Upon this Scheme becoming effective, the Transferee Company shall be entitled to operate and utilize all bank accounts, cash and deposits relating to the Transferor Company (including the deposits which the Transferor Company has with the Transferee Company), realise all monies and complete and enforce all pending contracts and transactions in respect of the Transferor Company in the name of the Transferor Company to the extent necessary.

5.11.2 Upon this Scheme becoming effective, the Transferee Company shall be entitled to occupy and use all premises, whether owned, leased or licensed, relating to the Transferor Company until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally accepted by the parties concerned.

5.11.3 The Transferor Company and the Transferee Company shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the respective Board of Directors of the Transferor Company and the Transferee Company prior to the Effective Date. In such a case, the Transferor Company and Transferee Company shall respectively bear their own cost or as may be mutually agreed. It is hereby clarified that notwithstanding anything to the contrary contained in this Scheme, neither the Transferor Company nor the Transferee Company shall be entitled to withdraw the Scheme unilaterally except with the prior written consent of the Transferee Company or the Transferor Company, as may be applicable, unless such withdrawal is in accordance with any written agreement entered into between the Transferor Company and Transferee Company.