

Rustomjee

Date: February 6, 2024

The General Manager, Listing Department, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	The Vice President Listing Department, National Stock Exchange of India Limited "Exchange Planza", Bandra Kurla Complex, Bandra East, Mumbai - 400 051
Scrip Code: 543669	Scrip Symbol: RUSTOMJEE

Ref: Regulation 37(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI (LODR) Regulations, 2015")

Sub: Scheme of Amalgamation of Key Fortune Relators Private Limited ("Transferor Company") with Keystone Realtors Limited ("Transferee Company" or "Company") and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013

We refer to our letter dated January 30, 2024 making intimation under Regulation 30 of the SEBI (LODR) Regulations, 2015 pertaining to the Scheme of Amalgamation of Key Fortune Relators Private Limited ("Transferor Company") with Keystone Realtors Limited ("Transferee Company") and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme").

Pursuant to Regulation 37(6) of SEBI (LODR) Regulations, 2015 read with SEBI Master Circular dated 20 June, 2023 bearing reference number SEBI/HO/CFD/POD-2/P/CIR/2023/93 ("SEBI Master Circular"), please find attached the Scheme for your records.

Thanking you,

Yours faithfully,

For Keystone Realtors Limited

**Bimal K Nanda
Company Secretary & Compliance Officer
Membership No A11578**

Encl: 1. Draft Scheme and
2. Resolution approving scheme

KEYSTONE REALTORS LIMITED

SCHEME OF AMALGAMATION
OF
KEY FORTUNE RELATORS PRIVATE LIMITED
WITH
KEYSTONE REALTORS LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS
UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES
ACT, 2013

(A) PREAMBLE

This scheme of amalgamation provides for the amalgamation of the Transferor Company (*as defined hereinafter*) with the Transferee Company (*as defined hereinafter*) and their respective shareholders pursuant to Sections 230 to 232 and other applicable provisions of the Act (*as defined hereinafter*) read with Section 2(1B) and other applicable provisions of the Income Tax Act (*as defined hereinafter*) and various other matters consequential thereto or otherwise integrally connected therewith in the manner set out in this Scheme

(B) DESCRIPTION OF COMPANIES

1. **Key Fortune Relators Private Limited (“Transferor Company”)** is a company incorporated under the provisions of the Companies Act, 2013. The Transferor Company was incorporated to carry on the business of construction and development of real estate projects in India. The Transferor Company is the wholly owned subsidiary of the Transferee Company.
2. **Keystone Realtors Limited (“Transferee Company”)** is a company incorporated under the Companies Act, 1956. The Transferee Company is engaged in the business of construction and development of real estate projects in India. The equity shares of the Transferee Company are listed on the Stock Exchanges (*as defined hereinafter*).

(C) RATIONALE

1. The Transferor Company and the Transferee Company are part of the same group. The Transferee Company is desirous of consolidating the assets and liabilities of the Transferor Company pursuant to amalgamation.
2. The Scheme provides for the amalgamation of the Transferor Company with the Transferee Company and will result in the following benefits:
 - (a) streamlining of the corporate structure and consolidation of assets and liabilities of the Transferor Company with the Transferee Company;
 - (b) more efficient utilization of capital for enhanced development and growth of the consolidated business under a single entity;
 - (c) cost savings through legal entity rationalisation and consolidation of support functions, business processes, elimination of duplicate expenses, etc.; and
 - (d) reduction of administrative responsibilities, multiplicity of records and legal & regulatory compliances.

Thus, the Scheme is in the interest of the shareholders, creditors and all other stakeholders of the companies and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

(D) PARTS OF THE SCHEME

The Scheme is divided into the following parts:

1. **PART I** deals with the definitions of capitalized terms used in this Scheme, the details of the share capital of the Parties (*as defined hereinafter*) and date of taking effect and implementation of this Scheme;
2. **PART II** deals with amalgamation of the Transferor Company with the Transferee Company and other related matters; and
3. **PART III** deals with the general terms and conditions applicable to this Scheme.

PART – I

DEFINITIONS, INTERPRETATION, SHARE CAPITAL AND OPERATION OF SCHEME

1. DEFINITIONS

- 1.1 In this Scheme, unless inconsistent with the subject or context thereof (i) capitalised terms defined by inclusion in quotations and/or parenthesis shall have the meanings so ascribed; and (ii) the following expressions shall have the meanings ascribed hereunder:

“Act” means the Companies Act, 2013;

“Applicable Law” or **“Law”** means any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, Tribunal (*as defined hereinafter*); (b) Permits (*as defined hereinafter*); and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority (*as defined hereinafter*) having jurisdiction over the Parties as may be in force from time to time;

“Appointed Date” means 1 April 2024, or such other date as may be mutually agreed by the respective Board of the Parties or as may be directed by the Appropriate Authority;

“Appropriate Authority” means:

- (a) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunals, central bank, commission or other authority thereof; and
- (b) any governmental, quasi-governmental or private body, self-regulatory organisation, or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, Tax, importing, exporting or other governmental or quasi-governmental authority including without limitation, SEBI, clearing corporations, and the Tribunal.
- (c) any Stock Exchange.

“Board” in relation to the Parties, means the board of directors of such Party, and shall include a committee of directors or any person authorized by such board of directors, or such committee of directors duly constituted and authorized for the matters pertaining to this Scheme or any other matter relating hereto;

“Effective Date” means the date on which the last of the conditions specified in Clause 20 (Conditions Precedent) are complied with. Reference in this Scheme to the date of **“coming into effect of this Scheme”** or **“effectiveness of this Scheme”** or **“effect of this Scheme”** or **“upon the Scheme becoming effective”** shall mean the Effective Date;

“Encumbrance” means (a) any charge, lien (statutory or other), or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (b) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, transfer, receipt of income or exercise; or (c) any hypothecation, title retention, restriction, power of sale or other preferential arrangement; or (d) any agreement to create any of the above; and the term **“Encumber”** shall be construed accordingly;

“Income Tax Act” means the Income-tax Act, 1961;

“INR” or **“Rupee(s)”** means Indian Rupee, the lawful currency of the Republic of India;

“Parties” means collectively, the Transferor Company and the Transferee Company, and **“Party”** shall mean each of them, individually;

“Permits” means all consents, licences, permits, certificates, permissions, authorisations, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory, regulatory or otherwise as required under Applicable Law;

“Person” means an individual, a partnership, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;

“RoC” means the relevant jurisdictional Registrar of Companies having jurisdiction over the Parties;

“Scheme” or **“the Scheme”** or **“this Scheme”** means this scheme of amalgamation, with or without any modification(s);

“SEBI” means the Securities and Exchange Board of India;

“Stock Exchanges” means National Stock Exchange of India Limited and BSE Limited collectively and **“Stock Exchange”** shall mean each of them individually;

“Tax Laws” means all Applicable Laws dealing with Taxes including but not limited to income-tax, wealth tax, sales tax/ value added tax, service tax, goods and service tax, excise duty, customs duty or any other levy of similar nature;

“Taxation” or **“Tax”** or **“Taxes”** means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and services or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, collection at source, dividend distribution tax, buyback distribution tax, equalization levy, advance tax, minimum alternate tax, goods and services tax or otherwise or attributable directly or primarily to SSPL and SRL, as the case may be, or any other Person and all penalties, charges, costs and interest relating thereto; and

“**Transferor Company**” means **KEY FORTUNE RELATORS PRIVATE LIMITED**, a company incorporated under the provisions of the Act and having Corporate Identification Number U43299MH2024PTC417160 and registered office at 702, Natraj, MV Road Junction, Western Express Highway, Andheri (East), Mumbai – 400069, Maharashtra, India;

“**Transferee Company**” means **KEYSTONE REALTORS LIMITED**, a company incorporated under the provisions of the Companies Act, 1956, having Corporate Identification Number L45200MH1995PLC094208 and its registered office at 702, Natraj, MV Road Junction, Western Express Highway, Andheri (East), Mumbai – 400069, Maharashtra, India;

“**Tribunal**” means the Mumbai bench of the National Company Law Tribunal having jurisdiction over the Parties.

1.2 Interpretation

In this Scheme, unless the context otherwise requires:

- 1.2.1 words denoting the singular shall include the plural and *vice versa*;
- 1.2.2 headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are for information and convenience only and shall be ignored in construing the same;
- 1.2.3 the words “include” and “including” are to be construed without limitation.
- 1.2.4 all terms and words not defined in this Scheme shall unless repugnant or contrary to the context or meaning thereof, have the same meaning as prescribed to them under the Act, Income Tax Act, or any other applicable laws, rules, regulations, bye laws, as the case may be including any statutory modification or re-enactment thereof from time to time; and
- 1.2.5 reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement, re-enactment, restatement or amendment of, that law or legislation or regulation and shall include the rules and regulations thereunder.

2. SHARE CAPITAL

- 2.1 The share capital structure of the Transferor Company as on the date of its Board approving the Scheme is as follows:

Particulars	Amount (In INR)
Authorized Share Capital	
10,000 equity shares of INR 10/- each	1,00,000
TOTAL	1,00,000
Issued, subscribed and paid-up share capital	
10,000 equity shares of INR 10/- each, fully paid up	1,00,000
TOTAL	1,00,000

- 2.2 The share capital structure of the Transferee Company as on the date of its Board approving the Scheme is as follows:

Particulars	Amount (In Rs.)
Authorized share capital	
42,80,00,000 equity shares of INR 10 each	4,28,00,00,000
4,20,000 redeemable preference shares of INR 10 each	42,00,000
TOTAL	4,28,42,00,000
Issued, Subscribed and Paid-up share capital	
11,38,80,523 equity shares of INR 10 each	113,88,05,230
TOTAL	113,88,05,230

3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

This Scheme in its present form or with any modification(s) made as per Clause 16 of this Scheme, shall become effective from the Appointed Date but shall be operative from the Effective Date.

PART - II

**AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFeree
COMPANY AND OTHER RELATED MATTERS**

4. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF THE TRANSFEROR COMPANY

4.1 With effect from the Appointed Date, upon coming into effect of this Scheme and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(1B) of the Income Tax Act, the Transferor Company shall stand transferred to and vested in the Transferee Company as a going concern and accordingly, all assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of the Transferee Company, and in the manner provided in this Scheme.

4.2 With effect from the Appointed Date, upon coming into effect of this Scheme and without prejudice to the generality of the provisions of Clause 4.1 above, the manner of transfer and vesting of assets and liabilities of the Transferor Company under this Scheme, is as follows:

4.2.1 In respect of such of the assets and properties of the Transferor Company which are movable in nature (including but not limited to all intangible assets, brands, trademarks of the Transferor Company, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights, trademarks and all such other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred upon the Scheme coming into effect and shall, *ipso facto* and without any other order to this effect, become the assets and properties of the Transferee Company without requiring any deed or instrument of conveyance for transfer of the same. 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;

4.2.2 Subject to Clause 4.2.3 below, with respect to the assets of the Transferor Company, other than those referred to in Clause 4.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, whether or not the same is held in the name of the Transferor Company shall, without any further act, instrument or deed, be transferred to and vested

in and/ or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date, by operation of law as transmission or as the case may be in favour of Transferee Company;

4.2.3 In respect of such of the assets and properties of the Transferor Company which are immovable in nature including rights, interest and easements in relation thereto, the same shall stand transferred to the Transferee Company with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Transferor Company and/or the Transferee Company;

4.2.4 For the avoidance of doubt and without prejudice to the generality of Clause 4.2.3 above, it is clarified that, with respect to the immovable properties of the Transferor Company in the nature of land and buildings, the Transferor Company and/ or the Transferee Company shall register the true copy of the orders of the Appropriate Authority approving the Scheme with the offices of the relevant sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and shall also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 4.2.4 will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any property of the Transferor Company takes place and the assets and liabilities of the Transferor Company shall be transferred solely pursuant to and in terms of this Scheme and the order of the Appropriate Authority sanctioning this Scheme;

4.2.5 All debts, liabilities, duties and obligations of the Transferor Company shall, without any further act, instrument or deed be transferred to, and vested in, and/ or deemed to have been transferred to, and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and it shall not be necessary to obtain the consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause 4;

4.2.6 On and from the Effective Date and till such time that the name of the bank accounts of the Transferor Company have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company in the name of the Transferor Company, as may be applicable, and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company;

4.2.7 Unless otherwise agreed between the Parties, the vesting of all the assets

of the Transferor Company, as aforesaid, shall be along with the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of the Transferor Company or part thereof on or over which they are subsisting prior to the amalgamation of the Transferor Company with the Transferee Company, and no such Encumbrances shall extend over or apply to any other asset(s) of the Transferee Company;

4.2.8 Unless otherwise stated in this Scheme, all Permits, including the benefits attached thereto of the Transferor Company, shall be transferred to the Transferee Company from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company to carry on the operations of the Transferor Company without any hindrance, whatsoever;

4.2.9 Without prejudice to the provisions as stated above, all trade and service names and marks, patents, copyrights, designs, goodwill which includes the positive reputation that the Transferor Company was enjoying to retain its clients, statutory licenses, infrastructural advantages, overall increase in market share, customer base, skilled employees, business claims, business information, business contracts, trade style and name, marketing and distribution channels, marketing or other commercial rights, customer relationship, trade secrets, information on consumption pattern or habits of the consumers in the territory, technical know-how, client records, KYC (know your customer) records/ POAs (power of attorney), authorisations, client details and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company shall be transferred to the Transferee Company from the Appointed Date, without any further act, instrument or deed;

4.2.10 All contracts where the Transferor Company is a party, shall stand transferred to and vested in the Transferee Company pursuant to this Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence. The Transferee Company shall, wherever necessary, enter into and/ or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause; and

4.2.11 Provided that, upon this Scheme coming into effect, all inter-company

transactions including loans, contracts executed or entered into by or *inter se* between the Parties, if any, shall stand cancelled with effect from the Effective Date and neither the Transferor Company and/or Transferee Company shall have any obligation or liability against the other party in relation thereto.

- 4.3 Without prejudice to the provisions of the foregoing sub-clauses of Clause 4.2, the Parties may execute any and all instruments or documents and do all acts, deeds and things as may be required, including filing of necessary particulars and/ or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme. Any procedural requirements required to be fulfilled solely by the Transferor Company, shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Transferor Company. The Transferee Company shall take such actions as may be necessary and permissible to get the assets, Permits and contracts of the Transferor Company transferred and/ or registered in its name.

5. EMPLOYEES

- 5.1 Upon the effectiveness of this Scheme and with effect from the Effective Date, the Transferee Company undertakes to engage without any interruption in service all the employees of the Transferor Company, if any, on terms and conditions no less favourable than those on which they are engaged by the Transferor Company. The Transferee Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Transferor Company with any of the aforesaid employees or union representing them. The Transferee Company agrees that the services of all such employees with the Transferor Company prior to the transfer shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retirement/ terminal benefits.
- 5.2 The accumulated balances, if any, standing to the credit of and in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund and any other fund of which they are members, as the case may be, will be transferred to the respective funds of the Transferee Company set-up in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the existing provident fund, gratuity fund, superannuation fund and other fund respectively of the Transferor Company and such funds shall be held for the benefit of the employees transferred under the Scheme.

6. LEGAL PROCEEDINGS

- 6.1 If any suit, cause of actions, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatever nature (hereinafter called the “**Proceedings of the Transferor Company**”) by or against the Transferor Company is pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the amalgamation or of anything contained in this Scheme, but the Proceedings of the Transferor Company may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or

against the Transferor Company as if this Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company.

- 6.2 From the date of approval of this Scheme by the Board of the Transferor Company and until the Effective Date, the Transferor Company shall defend all legal proceedings, other than in the ordinary course of business, with the advice and instructions of the Transferee Company.

7. TAXES/ DUTIES/ CESS

Upon the effectiveness of the Scheme and with effect from Appointed Date, by operation of law pursuant to the order of the Tribunal:

- 7.1 All the profits or income taxes (including advance tax, tax deducted at source, tax collected at source, foreign tax credits, dividend distribution tax, minimum alternate tax credit, all input credit balances (including but not limited to CENVAT/ MODVAT, sales tax, applicable excise and customs duties, SGST, IGST and CGST credits under the goods and service tax laws) or any costs, charges, expenditure accruing to the Transferor Company in India and abroad or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purpose be treated and be deemed to be and accrue as the profits, taxes (namely advance tax, Tax deducted at source, Tax collected at source, dividend distribution tax & foreign tax credits), income costs, charges, expenditure or losses of the Transferee Company, as the case may be, notwithstanding that certificates or challans for withholding tax/ advance tax are in the name of the Transferor Company and not in the name of the Transferee Company and the Transferee Company shall be entitled to claim credit, refund or adjustment for the same as may be applicable.
- 7.2 If the Transferor Company is entitled to any benefits under incentive schemes and policies under Tax Laws, all such benefits under all such incentive schemes and policies shall be available and stand vested in the Transferee Company.
- 7.3 Upon the Scheme becoming effective, the Transferee Company shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim tax benefits, refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme and in accordance with the relevant provisions of the Income Tax Act. The Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, even beyond the due date, if required, including tax deducted/ collected at source returns, service tax returns, excise tax returns, sales tax/ value added tax/ goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign Taxes paid/ withheld, etc. if any, as may be required for the purposes of implementation of the Scheme.
- 7.4 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., the Transferor Company, shall, if so required by the Transferee Company, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good

or held on account of the Transferee Company, as the Person entitled thereto, to the end and intent that the right of the Transferor Company, to recover or realise the same, stands transferred to the Transferee Company.

- 7.5 The provisions of this Scheme as they relate to the merger of the Transferor Company with the Transferee Company has been drawn up to comply with the conditions relating to 'amalgamation' as defined under Section 2(1B) of the Income Tax Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of Section 1(1B) of the Income Tax Act, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the Section 2(1B) of the Income Tax Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act. Such modification will, however, not affect the other parts of the Scheme.

8. CONSIDERATION

- 8.1 The Transferor Company is a wholly owned subsidiary of the Transferee Company and therefore there shall be no issue of shares as consideration, including to nominee shareholders, for the amalgamation of the Transferor Company with the Transferee Company.
- 8.2 Upon the Scheme becoming effective, all equity shares of the Transferor Company held by the Transferee Company shall stand cancelled without any further application, act, instrument or deed and be of no effect without any necessity of them being surrendered.

9. ACCOUNTING TREATMENT

Upon the Scheme becoming effective, the Transferee Company shall account for the merger of the Transferor Company in its books of accounts in accordance with the accounting standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, or any other relevant or related requirement under the Act, as applicable.

10. COMBINATION OF AUTHORISED SHARE CAPITAL

- 10.1 Upon the coming into effect of this Scheme, the authorised share capital of the Transferor Company as on the Effective Date will be combined with the authorised share capital of the Transferee Company and accordingly the authorised share capital of the Transferee Company shall stand increased without any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees to RoC.

- 10.2 Consequent to the Scheme taking effect, the authorised share capital of the Transferee Company as on the Effective Date shall be increased by the authorised share capital of the Transferor Company as under:

Particulars	Amount (In Rs.)
Authorised share capital	
42,80,10,000 equity shares of INR 10 each	4,28,01,00,000
4,20,000 redeemable preference shares of INR 10 each	42,00,000
TOTAL	4,28,43,00,000

- 10.3 The memorandum of association and articles of association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be, for amendment of the Memorandum and Articles of Association of the Transferee Company and for this purpose the stamp duty and fees paid on the authorized capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company.
- 10.4 Consequentially, Clause V of the memorandum of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended, to reflect the increased combined authorised share capital as per Clause 10.1 and Clause 10.2 above, pursuant to Sections 13, 14, 61, 64, and other applicable provisions of the Act.
- 10.5 It is clarified that the approval of the Tribunal to the Scheme shall be deemed to be consent/ approval of the shareholders of the Transferee Company also to the alteration of the memorandum and articles of association of the Transferee Company as may be required under the Act.

11. DISSOLUTION OF THE TRANSFEROR COMPANY

On the Scheme becoming effective, the Transferor Company shall stand dissolved without winding up and the Board and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the concerned RoC.

PART - III

GENERAL TERMS & CONDITIONS

12. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon this Scheme coming into effect, the resolutions/ power of attorneys/Letter of Authority(ies) executed by the Transferor Company, as are considered necessary by the Board of the Transferor Company and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions, power of attorney and Letter of Authority(ies) passed/ executed by the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act or any other applicable statutory provisions, then such limits as are considered necessary by the Board of the Transferee Company shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the new aggregate limits for each of the subject matters covered under such resolutions for the purpose of the Transferee Company.

13. BUSINESS UNTIL EFFECTIVE DATE

13.1 With effect from the date of approval of the Scheme by the respective Board of the Parties and up to and including the Effective Date:

13.1.1 the Transferor Company shall carry on its businesses in ordinary course with reasonable diligence and business prudence and in the same manner as the Transferor Company had been doing hitherto;

13.1.2 Further the Transferor Company shall not undertake any additional financial commitments of any nature whatsoever, including borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for themselves or on behalf of its respective affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or Encumber or deal in any of its properties/assets, etc except:

- (a) when the same is expressly provided in this Scheme; or
- (b) when the same is in the ordinary course of business as carried on, by the Transferor Company; or
- (c) when written consent of the Transferee Company has been obtained in this regard;

13.1.3 the Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which the Transferee Company may require to carry on the relevant business of the Transferor Company and to give effect to the Scheme;

13.2 The Transferor Company with effect from the Appointed Date and up to and including the Effective Date:

13.2.1 shall be deemed to have been carrying on and shall carry on its businesses and

activities and shall hold and stand possessed of the assets for and on account of, and in trust for the Transferee Company;

13.2.2 all profits or income arising or accruing to the Transferor Company and all Taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, dividend distribution tax, securities transaction tax, Taxes withheld/paid in a foreign country, etc.) or losses arising or incurred by the Transferor Company shall, be treated as and deemed to be the profits or income, taxes or losses of the Transferee Company; and

13.2.3 all loans raised and all liabilities and obligations incurred by the Transferor Company after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company in which it shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also, without any further act, instrument or deed be and be deemed to become the debts, liabilities, duties and obligations of the Transferee Company.

14. SAVING OF CONCLUDED TRANSACTIONS

The vesting of the undertaking of the Transferor Company as above and the continuance of proceedings by or against the Transferor Company shall not affect any transaction or proceedings already concluded on or after the Appointed Date till the Effective Date in accordance with this Scheme, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

15. APPLICATIONS/ PETITIONS TO THE TRIBUNAL

The Parties shall make joint applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, for sanction of this Scheme under the provisions of the Act.

16. MODIFICATION OR AMENDMENTS TO THIS SCHEME

16.1 The Board of the Parties may make any modifications or amendments to this Scheme at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or appropriate. The Board of the Parties may consent to any conditions or limitations that the Tribunal or any other Appropriate Authority may impose.

16.2 For the purposes of giving effect to this Scheme, the Board may give such directions including directions for settling any question or difficulty that may arise and such directions shall be binding as if the same were specifically incorporated in this Scheme.

17. PROPERTY IN TRUST

Notwithstanding anything contained in this Scheme, on and after the Effective Date, until any property, asset, license, Permit, contract, agreement and rights and benefits arising therefrom pertaining to the Transferor Company is transferred, vested,

recorded, effected and/ or perfected, in the records of any Appropriate Authority or otherwise, in favour of the Transferee Company, the Transferee Company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, Permit, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, Permit, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authorities, the Transferee Company will continue to hold the property and/or the asset, license, Permit, contract or agreement and rights and benefits arising therefrom in trust for and on behalf of the Transferor Company.

18. FACILITATION PROVISIONS

18.1 For the purpose of giving effect to the amalgamation order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Tribunal, the Transferee Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Transferor Company, in accordance with the provisions of Sections 230 to 232 of the Act. The Transferee Company is and shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc, as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme.

18.2 The Transferee Company may, from time to time, in accordance with the Act, rules and regulations framed by the SEBI including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and other Applicable Law, issue securities to any Person (including by way of a rights issue, preferential allotment, private placement, QIP, bonus issue or any other permissible manner).

19. WITHDRAWAL OF THIS SCHEME AND NON-RECEIPT OF APPROVALS

19.1 Parties, acting jointly, shall be at liberty to withdraw the Scheme, any time before the Scheme is effective.

19.2 In the event of withdrawal of the Scheme under Clause 19.1 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their respective shareholders or creditors or employees or any other Person.

19.3 In the event of any of the requisite sanctions and approvals not being obtained on or before such date as may be agreed amongst the Parties, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their shareholders or creditors or employees or any other Person in terms of this Scheme. In such an event, each Party shall bear and pay its respective costs, charges and expenses for and/ or in connection with this Scheme.

20. CONDITIONS PRECEDENT

20.1 Unless otherwise decided (or waived) by the Parties, the Scheme is conditional upon and subject to the following conditions precedent:

20.1.1 the sanctions and orders of the Tribunal, under Sections 230 to 232 of the Act

being obtained by the Parties;

20.1.2 the certified/ authenticated copies of the orders of the Tribunal under Sections 230 to 232 of the Act sanctioning the Scheme are filed with the RoC by the Parties as per the Tribunal Order; and

20.1.3 the requisite consent, approval or permission of Appropriate Authority which by Applicable Law or contract, agreement may be necessary for the implementation of this Scheme.

21. COSTS AND EXPENSES

Except as provided otherwise, all costs, charges, fees, Taxes, levies and other expenses payable in relation to or in connection with this Scheme and incidental to the completion of the Scheme including stamp duty on the order(s) of the Tribunal, if any, to the extent applicable and payable shall be borne and paid by the Transferee Company.
