

SCHEME OF AMALGAMATION

**UNDER SECTION 232 READ WITH SECTION 230 OF THE COMPANIES ACT, 2013
AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND
RULES FRAMED THEREUNDER**

BETWEEN

DELTA INFOSOLUTIONS PRIVATE LIMITED
(“Transferor Company”)

AND

DATAMATICS GLOBAL SERVICES LIMITED
(“Transferee Company”)

AND

THEIR RESPECTIVE SHAREHOLDERS

A. PREAMBLE

This Scheme of Amalgamation (“Scheme”) is presented under Section 232 read with Section 230 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder, for amalgamation and vesting of Delta Infosolutions Private Limited (“Transferor Company”) into Datamatics Global Services Limited (“Transferee Company”) in the present form or with such alterations / modifications as may be approved or imposed or directed by National Company Law Tribunal.

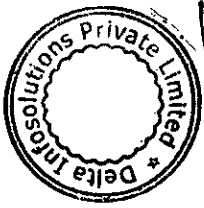
B. DESCRIPTION OF COMPANIES

Delta Infosolutions Private Limited (“Transferor Company”), was incorporated as a private limited company under the name and style of Delta Share Services Private Limited in the State of Maharashtra on 17th January 1992 vide Corporate Identity Number U72300MH1992PTC064911. The Registered Office is situated at Knowledge Centre, Plot No. 58, Street No. 17, MIDC, Andheri East, Mumbai - 400093 and having PAN AAACD3760B and email ID of its authorised representative is divya.kumat@datamatics.com. Thereafter, its name was changed to its current name, Delta Infosolutions Private Limited, on December 14, 1998.

Datamatics Global Services Limited (“Transferee Company”), was incorporated as a private limited company in the State of Maharashtra on 3rd November, 1987 as Interface Software Resources Private Limited. The name of the Transferee Company was changed to Datamatics Technologies Private Limited on December 18, 1992. On January 14, 1999, the Company became a deemed public company, pursuant to the provisions of section 43A of the Companies Act, 1956. The members of the Transferee Company passed a resolution on December 27, 1999, to convert the Company to public company. By a certificate dated January 13, 2000, the name of the Transferee Company was changed from Datamatics Technologies Private Limited to Datamatics Technologies Limited. The name of the Transferee Company was changed to its current name Datamatics Global Services Limited pursuant to a High Court order dated December 17, 2008. It has its Corporate Identity Number as L72200MH1987PLC045205. The Registered Office is situated at Knowledge Centre, Plot No. 58, Street No. 17, MIDC, Andheri East, Mumbai - 400093 and having PAN AAACD4471B and Email ID of its authorised representative is divya.kumat@datamatics.com.

C. RATIONALE OF THE SCHEME

1. Background



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Delta Infosolutions Private Limited, the Transferor Company, is the promoter of Datamatics Global Services Limited, a company listed on BSE Limited and National Stock Exchange of India Limited, holding 54.45% of the total equity shares in the Transferee Company.

Datamatics Global Services Limited, a company listed on the BSE and the NSE, is a technology company that builds intelligent solutions enabling data-driven businesses to digitally transform themselves through Robotics, Artificial Intelligence, Cloud, Mobility and Advanced Analytics. With its wide array of solutions, the company has developed several proprietary products and innovative solutions through which it caters to over 450 customers across the globe, some of which are Fortune 500 companies. Headquartered in Mumbai, the company has a strong presence across the America, Australia, Asia, Europe, and the Middle East.

2. Rationale for the Scheme

It is proposed to amalgamate Transferor Company into the Transferee by the Scheme, as a result of which the shareholders of the Transferor Company (including the promoter/promoter group of the Transferee Company) would directly hold shares in the Transferee Company, since it is envisaged that the following benefits would, inter alia, accrue to the Transferee Company:

- a) The amalgamation will result in the promoters of the Transferor Company directly holding shares in the Transferee Company, which will lead not only to simplification of the shareholding structure and reduction of shareholding tiers but also demonstrate the promoter group's direct commitment to and engagement with the Transferee Company;
- b) The amalgamation will enable greater focus of the management on the business and facilitate in creating enhanced value for Transferee Company's shareholders and allow a focused strategy in operations, which would be in the best interest of all its shareholders, creditors, and stakeholders;
- c) The promoter/ promoter group of the Transferee Company is desirous of streamlining its holding in the Transferee Company. As a step towards such rationalization, it is proposed to merge the Transferor Company into the Transferee Company;
- d) The promoter/ promoter group would continue to hold the same percentage of shares in the Transferee Company, pre and post the amalgamation. There would also be no change in the paid-up share capital and the financial position of the Transferee Company;
- e) Further, the shareholders of the Transferor Company shall indemnify the Transferee Company and keep the Transferee Company indemnified for liability, claim, demand, if any, which may devolve on the Transferee Company on account of this amalgamation.

Accordingly, the Board of Directors of Delta Infosolutions Private Limited and Datamatics Global Services Limited, have formulated this Scheme for transfer and vesting of the Transferor Company into the Transferee Company pursuant to the provisions of Section 230-232 and other relevant provisions of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof).

3. Parts of the Scheme

This Scheme is divided into the following parts:

Part I deals with the preliminary of the Scheme, definitions of the terms used in this Scheme, Objects and the Share Capital;

Part II deals with the amalgamation and vesting of the Transferor Company into the Transferee Company; and



Part III deals with the General Terms and Conditions.

PART I
DEFINITIONS AND INTERPRETATION

4. DEFINITIONS

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

- 4.1. “**Act**” means the Companies Act, 1956 and/or Companies Act, 2013, to the extent its provisions relevant for this Scheme are notified and ordinances, rules and regulations made thereunder and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force.
- 4.2. “**Amalgamation**” or “**Merger**” means the amalgamation or merger in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961 of the Transferor Company with and into the Transferee Company.
- 4.3. “**Appointed Date**” means the 1st day of April, 2021.
- 4.4. “**Board of Directors**” or “**Board**” means the Board of Directors of the Transferor Company and the Transferee Company as the case may be, and shall include a duly constituted committee thereof.
- 4.5. “**BSE**” means BSE Limited.
- 4.6. “**Delta**” or “**Transferor Company**” means Delta Infosolutions Private Limited having its Corporate Identity Number as U72300MH1992PTC064911, the Registered Office is situated at Knowledge Centre, Plot No. 58, Street No. 17, MIDC, Andheri East, Mumbai - 400093 and having PAN – AAACD3760B and Email ID of its authorised representative is divya.kumat@datamatics.com.
- 4.7. “**DGSL**” or “**Transferee Company**” means Datamatics Global Services Limited having its Corporate Identity Number as L72200MH1987PLC045205, the Registered Office is situated at Knowledge Centre, Plot No. 58, Street No. 17, MIDC, Andheri East, Mumbai - 400093 and having PAN – AAACD4471B and Email ID of its authorised representative is divya.kumat@datamatics.com.
- 4.8. “**Effective Date**” means the dates on which the Order of the NCLT sanctioning the Scheme of Amalgamation is filed with the Registrar of Company, Mumbai, Maharashtra State by the respective companies. Any references in this Scheme to the date of “coming into effect of this scheme” or “effectiveness of this scheme” or “Scheme taking effect” shall mean the Effective Date.
- 4.9. “**Encumbrance**” means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term “Encumbered” shall be construed accordingly.
- 4.10. “**Governmental Authority**” means any applicable Central, State or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction and shall include any other authority which supersedes the existing authority.
- 4.11. “**NCLT**” means National Company Law Tribunal, Mumbai Bench having jurisdiction in relation to the Transferor Company and the Transferee Company.



- 4.12. "NSE" means National Stock Exchange of India Limited.
- 4.13. "Record Date" shall mean the date to be fixed by the Board of Directors of the Transferee Company for the purpose of issue of shares of the Transferee Company to the shareholders of the Transferor Company.
- 4.14. "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation including Schedules, as amended or modified, in its present form submitted to the NCLT for approval, with any modifications, as may be approved or imposed or directed by the NCLT or any other appropriate authority.
- 4.15. "SEBI" means Securities and Exchange Board of India.
- 4.16. "Transition period" means period starting from the date immediately after the Appointed Date till the Effective Date.

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

5. DATE OF TAKING EFFECT AND OPERATIVE DATE

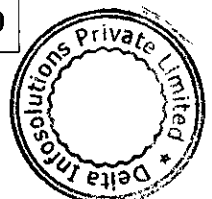
The Scheme shall be effective in its present form or with any modification(s) approved or imposed or directed by the NCLT or any other appropriate authority and shall become effective from the Appointed Date, as defined under this Scheme in accordance with Section 232(6) of the Act.

The merger of the Transferor Company with and into the Transferee Company shall be in accordance with Section 2(1B) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with Section 2(1B) of the Income Tax Act, 1961 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 provision 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.

6. SHARE CAPITAL

- 6.1. The share capital structure of the Transferor Company as on 31 January 2022 is as under –

Share Capital	Amount (Rupees)
Authorized Share Capital	
600,000 equity shares of Re. 1 each	6,00,000
650,000 Redeemable Preference shares of Re. 1 each	6,50,000
TOTAL	12,50,000
Issued, subscribed and paid-up Share Capital	
1,20,000 equity shares of Re. 1 each	1,20,000
TOTAL	1,20,000



There is no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company from the date of approval of the scheme by the Board of Directors of the Transferor Company till filling of this Scheme with SEBI.

6.2. The share capital structure of the Transferee Company as on 31 January 2022 is as under –

Share Capital	Amount (Rupees)
Authorized Share Capital	
10,52,00,000 equity shares of Rs. 5 each	52,60,00,000
4,55,50,000 Redeemable Preference shares of Rs. 10 each	45,55,00,000
TOTAL	98,15,00,000
Issued, subscribed and paid-up Share Capital	
5,89,49,337 equity shares of Rs. 5 each	29,47,46,685
TOTAL	29,47,46,685

There is no change in the authorized, issued, subscribed and paid-up share capital of the Transferee Company, from the date of approval of the Scheme by the Board of Directors of the Transferee Company till filling of this Scheme with SEBI.

PART II – AMALGAMATION AND VESTING OF DELTA INFOSOLUTIONS PRIVATE LIMITED INTO DATAMATICS GLOBAL SERVICES LIMITED

7. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES OF TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

- 7.1. With effect from the Appointed Date and upon the Scheme becoming effective, subject to the provisions of the Scheme, the Transferor Company shall, pursuant to the sanction of this Scheme by the NCLT and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company without any further act, instrument, deed, matter or things so as to become business of the Transferee Company by virtue of and in the manner provided in the Scheme, and the Transferor Company shall stand dissolved without being wound up.
- 7.2. The business of the Transferor Company carried on till the Appointed Date shall, under Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, ongoing concern basis so as to become business of the Transferee Company by virtue of and in the manner provided in the Scheme.
- 7.3. Without prejudice to the generality of the above, upon the coming into effect of this scheme and with effect from the Appointed Date:
- a. All the assets, properties and entitlements of the Transferor Company, of whatsoever nature and wheresoever situated and which are incapable of passing by manual delivery, shall under the provisions of Section 230 to 232 and all other provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to or vested in the Transferee Company as a going concern so as to become, as from the Appointed Date, the assets and properties of the Transferee Company.



- b. Without prejudice to the above provisions, in respect of such of the assets and properties of the Transferor Company, as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company and shall upon such transfer become the assets and properties of the Transferee Company without requiring any deed or instrument or conveyance for the same.
- c. In respect of the movables other than those dealt with in sub-clause (b) above including sundry debtors, receivables, bills, credits, loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances, investments, earnest monies and deposits, if any, with any Government, Semi-Government, local and other authorities and bodies, with any company or other person, the Transferor Company, shall, if required give notice in such form as they may deem fit and proper, to each person, debtor or depositor, as the case may be, that pursuant to the NCLT having sanctioned the amalgamation of the Transferor Company with the Transferee Company, under Sections 230 to 232 of the Act, the said debt, loan, advance or deposit be paid or made good or held on account of the Transferee Company as the person entitled thereto and that appropriate entry should be passed in its books to record the aforesaid change. The Transferee Company shall, if required, also give notice in such form as it may deem fit and proper to each person, debtor or depositor that, pursuant to NCLT having sanctioned the amalgamation of the Transferor Company with the Transferee Company under Sections 230 to 232 of the Act, the said debt, loan, advance, balance or deposit be paid or made good or held on account of the Transferee Company.
- d. All the licenses, permits, quotas, approvals, trademarks, brands, permissions, registrations, incentives, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date, shall pursuant to the provisions of Section 230-232 of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to or vested in and be available to the Transferee Company so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.
- e. All assets 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 and properties, which are acquired by the Transferor Company, on or after the Appointed Date, shall be deemed to be and shall become assets and properties of the Transferee Company by virtue of and in the manner provided in this Scheme.
- f. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is hereby clarified that with effect from the Appointed Date, and upon the scheme becoming effective, the benefits of all tax credits, tax losses etc. under various Acts including but not restricted to Income Tax Act, Goods and Service Tax, etc. to which the Transferor Company is entitled to shall vest in and become available to the Transferee Company. In so far as the various incentives, subsidies, tax benefits or any other exemptions of the Transferor Company, rehabilitation Schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by the Transferor Company or tax credits of the Transferor Company, are concerned, the same shall vest with and be available to Transferee Company on the same terms and conditions.

7.4. Without prejudice to the generality of the above, upon coming into effect of this Scheme and with effect from the Appointed Date, all debts, liabilities, duties, obligations of every kind,

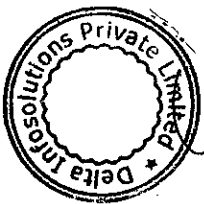


nature and description of the Transferor Company, and all the revenue as well as capital reserves of the Transferor Company, shall pursuant to the sanction of the Scheme by the NCLT and pursuant to the provisions of sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the debts, liabilities, duties, obligations and reserves of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this clause.

- 7.5. The transfer of property and liabilities, as above, shall not affect any transaction already concluded by the Transferor Company till, on or after the Appointed Date and till the Effective Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in regard thereto as done and executed by the Transferee Company on its own behalf. Furthermore, as from the Appointed Date, the Transferor Company shall be deemed to have carried on and to be carrying on the business on behalf of and in trust for the Transferee Company until such time as the Scheme takes effect.
- 7.6. It is clarified that all liabilities, duties and obligations of the Transferor Company as on the Appointed Date whether provided for or not in the books of accounts of the Transferor Company and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or upto the day of the Appointed Date shall be the debts, liabilities, duties and obligations of the Transferee Company including any encumbrance on the assets of the Transferor Company or on any income earned from those assets. It is further clarified that, 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 by or enforced against the Transferor Company.
- 7.7. Loans, debt securities, Debentures or other obligations, if any, due between or amongst the Transferor Company and the Transferee Company shall stand discharged and there shall be no liability in that behalf with effect from the Appointed Date.
- 7.8. The transfer as aforesaid shall be subject to charges / hypothecations / mortgages over the assets or any part thereof provided, however, that any reference in any security document or any arrangements to which the Transferor Company is a party, to the assets or properties of the Transferor Company offered as security for any financial assistance or obligations to the secured creditor/s of the Transferor Company, shall be construed only to be to the respective assets or properties of the Transferor Company as are vested in the Transferee Company by virtue of this clause to the end and intent that such security, mortgage and charge shall not extend or be deemed to extend to any Assets or any other units or divisions of the Transferee Company unless specifically agreed to by the Transferee Company with such secured creditor/s and subject to consents and approvals of the existing secured creditors of the Transferee Company, if any. This Scheme shall not operate to enlarge / enhance any security created by the Transferee Company.

8. STAFF & EMPLOYEES

- 8.1. Upon the Scheme becoming effective, the Transferee Company shall take over all the staff in the service of the Transferor Company immediately preceding Effective Date, and that they shall become the staff and employees, of the Transferee Company on the basis that their services shall be deemed to have been continuous and not have been interrupted by reasons of the said transfer. The terms and conditions of service applicable to such staff or employees after such transfer shall not in any way be less favorable to them than those applicable to them immediately preceding the transfer.



- 8.2. As far as Provident Fund, Gratuity Fund or any other Special Fund or schemes existing for the benefit of the employees of the Transferor Company are concerned, upon the Scheme becoming effective, the Transferee Company shall be substituted for the Transferor Company for all purposes whatsoever related to the administration / operation of such Funds or schemes or in relation to the obligation to make contribution to the said Funds or schemes in accordance with provisions of such Funds or Schemes or according to the terms provided in the respective Trust Deeds or other documents. All the rights, duties, powers and obligations of the Transferor Company in relation to such Funds or Schemes shall become those of the Transferee Company and the services of the employees will be treated as being continuous for the purpose of the aforesaid Funds or Schemes.

9. LEGAL PROCEEDINGS

- 9.1. If any suit, appeal or proceedings of whatsoever nature (hereinafter referred to as "the said proceedings") by or against the Transferor Company be pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of amalgamation of the Transferor Company or by anything in this Scheme, but the said proceedings may be continued, prosecuted and enforced, as the case may be, by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued and enforced, as the case may be, by or against the Transferor Company if this Scheme had not been made.

10. AMALGAMATION NOT TO AFFECT TRANSACTIONS / CONTRACTS OF TRANSFEROR COMPANY:

- 10.1. The amalgamation of Transferor Company and the continuance of the said proceedings by or against the Transferee Company shall not affect any transaction or proceedings already concluded by or against the Transferor Company after the Appointed Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done or executed by the Transferor Company after the Appointed Date as done and executed on its behalf. The said transfer and vesting pursuant to Section 230 to 232 of the Act, shall take effect from the Appointed Date unless the NCLT otherwise directs.

11. CONSIDERATION

- 11.1. Upon coming into effect of the Scheme and in consideration for amalgamation of the Transferor Company with and into the Transferee Company, the Transferee Company shall, without any further application or deed and without any further payment, issue and allot to all the equity shareholders of the Transferor Company (whose names appear in the register of members as on the Record Date) an equal number of equity shares as the equity shares held by the Transferor Company in the Transferee Company in the following manner:

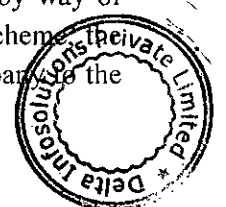
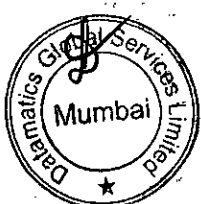
'3,20,98,742 fully paid equity shares of INR 5/- each of DGSL to be issued and allotted to the Equity Shareholders of Delta, in proportion to their holdings in Delta in the event of amalgamation of Delta into DGSL'.

- 11.2. Equity shares shall be issued by the Transferee Company in dematerialized form to those equity shareholders of the Transferor Company respectively who hold shares of the Transferor Company in dematerialized form, in to the account in which the Transferor Company shares are held or such other account as is intimated by the shareholders to the Transferee Company and / or its Registrar. All those shareholders who hold shares of the Transferor Company in physical form shall also have the option to receive the equity shares in the Transferee Company in dematerialized form provided the details of their account with the Depository Participant are intimated in writing to the Transferee Company and / or its Registrar. Otherwise, they would be issued equity shares in physical form. Such shares shall



be issued to all the equity shareholders of the Transferor Company whose names appear in the register of members as on the Record Date or to their respective heirs, executors, administrators, or other legal representatives, or successors-in-title, as the case may be.

- 11.3. The Transferee Company shall take necessary steps to increase or alter or re-classify, (if necessary), its authorized share capital suitably to enable it to issue and allot equity shares required to be issued and allotted by it under this Scheme.
- 11.4. Approval of this Scheme by the equity shareholders of the Transferee Company shall be deemed to be the due compliance of the provisions of section 62 of the Companies Act, 2013 and Rules framed thereunder, and other relevant and applicable provisions of the Act for the issue and allotment of equity shares by the Transferee Company to the equity shareholders of the Transferor Company respectively, as provided in this Scheme.
- 11.5. The issue and allotment of equity shares by the Transferee Company to the equity shareholders of the Transferor Company as provided in this Scheme, shall be deemed, without any further act or deed by the Transferee Company, to be a private placement within the meaning of section 42 of the Companies Act, 2013 and Rules framed thereunder and it shall be deemed that the procedures laid down under the said section of the Act and any other applicable provisions of the Act were duly complied with.
- 11.6. Upon issue and allotment of equity shares of the Transferee Company, the fractional entitlements of shares to any shareholders of the Transferor Company shall be rounded off to the nearest integer. A fraction of less than half shall be rounded down to the nearest lower integer and a fraction of half or more shall be rounded up to the nearest higher integer. However, in no event, shall the number of new equity shares to be allotted by the Transferee Company to the members of Transferor Company exceed the number of equity shares held by the Transferor Company in the Transferee Company on the effective date.
- 11.7. Pursuant to the issuance of equity shares in the Transferee Company, the shareholders of the Transferor Company shall become the shareholders of the Transferee Company.
- 11.8. The equity shares of the Transferee Company to be issued in terms of this Scheme will be listed and/ or admitted to trading on the Stock Exchanges where the shares of the Transferee Company are already listed and/ or admitted to trading, subject to necessary approvals under the Regulations issued by the Securities and Exchange Board of India and from the Stock Exchanges and all necessary applications and compliances being made in this respect by the Transferee Company.
- 11.9. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties after the effectiveness of the Scheme.
- 11.10. The equity shares to be issued to the shareholders of the Transferor Company as above shall be subject to the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing equity shares of the Transferee Company in all respects.
- 11.11. In the event that the Transferee Company restructures its equity share capital by way of share split/ consolidation/ issue of bonus shares during the pendency of this Scheme, the Share Exchange Ratio for the equity shares to be issued in the Transferee Company shall be the



shareholders of the Transferor Company shall be adjusted accordingly to take into account the effect of any such corporate actions.

- 11.12. The approval of this Scheme by the equity shareholders of both the companies under Sections 230 to 232 of the Act shall be deemed to have the approval under sections 13 and 14 of the Companies Act, 2013 and other applicable provisions of the Act and any other consents and approvals required in this regard.

12. ACCOUNTING TREATMENT

- 12.1. Amalgamation of the Transferor Company with the Transferee Company would be accounted in the books of the Transferee Company for as per the 'Pooling of Interests Method' prescribed under Appendix C to IndAS 103 (Accounting for Business Combinations) and any other relevant Indian Accounting Standard prescribed under Section 133 of the Companies Act, 2013.

13. INCREASE IN AUTHORISED SHARE CAPITAL OF THE TRANSFEE COMPANY

- 13.1. Upon the Scheme being finally effective, the Authorised Capital of the Transferor Company will get merged with that of the Transferee Company without payment of additional fees and duties as the said fees have already been paid and the Authorised Capital of the Transferee Company will be increased to that effect without any compliances in respect of the notices, meetings etc. but only by filing requisite statutory forms with the Registrar of Companies.

- 13.2. Thus, on the Scheme becoming effective the capital clause of the Transferee Company will read as follows:

"Clause V

a) The Authorised Share Capital of the Company is Rs. 98,27,50,000 comprising of:
(i) 10,53,20,000 (Ten Crores Fifty Three Lakhs Twenty Thousand) Equity Shares of Rs. 5 each, and
(ii) 4,56,15,000 (Four Crore Fifty Six Lakhs Fifteen Thousand) Redeemable Preference Shares of Rs. 10 each
with the rights, privileges and conditions attaching thereto as provided in the Articles of Association of the company for the time being. The Company shall have the power to increase or reduce the capital of the Company and to divide the shares in the capital into two classes and to attach to respectively such preferential, qualified or special rights, privileges or conditions as may be determine by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.

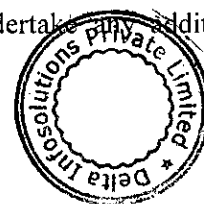
14. CONDUCT OF BUSINESS

14.1. Transferor Company as Trustee

- a. With effect from the Appointed Date and up to and including Effective Date, the Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of all its properties and assets for and on account of and in trust for Transferee Company. The Transferor Company hereby undertakes to hold its assets with utmost prudence;
- b. The Transferor Company shall preserve and carry on its business and activities with reasonable diligence and business prudence and shall neither undertake additional



Law



financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its affiliates or associates or any third party, sell, transfer, alienate, charge, mortgage or encumber or otherwise deal with the its properties/ assets or any part thereof, except (a) in the ordinary course of business as carried on by it as on the date of filing of this Scheme with the NCLT; or (b) when the same is expressly provided in this Scheme; or (c) when a written consent of the Transferee Company has been obtained;

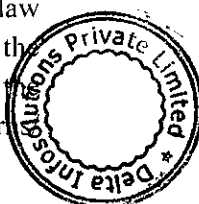
- c. The Transferor Company shall not alter or expand its business except with the written concurrence of the Transferee Company;
- d. Notwithstanding anything contained herein, in the event any dividends or other distributions are received by the Transferor Company either from the Transferee Company before the Scheme becomes effective, the Transferor Company shall ensure that such receipts are immediately distributed amongst its shareholders by way of dividends or any other manner, to the extent permitted under Applicable Law.

14.2. Profit or Losses up to Effective Date

- a. With effect from the Appointed Date and upto and including the Effective Date, all profits or incomes accruing or arising to the Transferor Company or all expenditure or losses incurred or arising, as the case may be, by the Transferor Company shall, for all purposes, be treated and deemed to be accrued as the profits or incomes or expenditures or losses, as the case may be, of the Transferee Company, unless otherwise provided in this Scheme.

14.3. Taxes

- a. All taxes paid or payable by the Transferor Company in respect of the operations and / or profits of the business before the Appointed Date shall be on account of the Transferor Company and in so far as it relates to the tax payment by the Transferor Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.
- b. Any refund under Income Tax Act, 1961 or other applicable laws or regulations dealing with taxes allocable or related to the business of the Transferor Company and due to the Transferor Company consequent to the assessment made on the Transferor Company shall also belong to and be received by the Transferee Company (except to the extent of taxes withheld by the Transferee Company on dividends declared and paid by the Transferee Company to, inter alia, the Transferor Company and which is, in turn, passed through to the shareholders of the Transferor Company prior to the Effective Date).
- c. All taxes benefits of any nature, duties, cesses or any other like payments or deductions available to Transferor Company under Income Tax, Sales Tax, Value Added Tax, Service Tax etc. or any Tax deduction/Collections at Source, MAT Credit, tax credits, benefits of Goods and Service Tax/ CENVAT credits, benefits of input credits up to the Effective Date shall be deemed to have been on account of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee company upon the passing of the order by the NCLT.
- d. On or after the Effective Date, the Transferee Company is expressly permitted to revise its financial statements and returns along with the prescribed forms, filings and annexures under the Income-tax Act, 1961, Service Tax law, VAT law, Goods and Services Tax law and other tax laws and shall be entitled to claim refund, advance tax, credits pertaining to the Transferor Company with effect from the Appointed Date, if required to give effect to provisions of the Scheme notwithstanding that the period of filing/ revising such return



forms may have lapsed and period to claim refund/ credit also elapsed upon this Scheme becoming effective.

- e. Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company shall be made or deemed to have been made and duly complied with by the Transferee Company.

14.4. Subject to the foregoing provisions of the Scheme, with effect from the Effective Date, the Transferee Company shall commence and carry on and shall be authorised to carry on the business of the Transferor Companies.

14.5. For the purpose of giving effect to the Amalgamation order passed under sections 230-232 and other applicable provisions of the Act in respect of the Scheme by the NCLT, the Transferee Company shall, at any time pursuant to the order on the Scheme, be entitled to have recorded the change in title and all other legal rights upon the merger of each Transferor Company with the Transferee Company, in accordance with the provisions of sections 230-232 of the Act.

14.6. For the avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of the bank, depository, and all other accounts of the Transferor Company have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the said accounts of the Transferor Company in the name of the Transferor Company, as the case may be, and insofar as may be necessary.

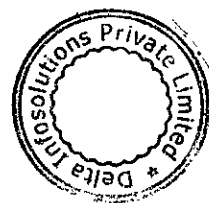
14.7. Until the effectiveness of the Scheme, in the event the Transferee Company declares and distributes dividends (including interim dividends) or undertakes any Corporate Action (such as bonus issue/ rights issue, etc.), the Transferor Company shall be duly entitled to receive or subscribe to the same, as the case may be, on behalf of its shareholders.

14.8. Until the Effective Date, the shareholders of the Transferor Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under the articles of association of the Transferor Company, including the right to receive dividends and/ or other distributions in accordance with the Applicable Law.

15. CANCELLATION OF INTER-SE INVESTMENT BETWEEN THE TRANSFEROR COMPANY AND THE TRANSFEE COMPANY AND ADJUSTMENT OF BALANCES OF CAPITAL RESERVE OF THE TRANSFEROR COMPANY

15.1. Upon this Scheme becoming effective, the investment of equity shares held by the Transferor Company in the Transferee Company shall stand cancelled, without any further act or deed. Accordingly, the share capital of the Transferee Company shall stand reduced to the extent of face value of shares held by the Transferor Company in the Transferee Company.

15.2. Pursuant to the Scheme becoming effective, the investment in the Transferee Company held by the Transferor Company and the debit balances in capital reserve of the Transferor Company taken over by the Transferee Company pursuant to Clause 12 above shall be adjusted firstly, against the balance in capital reserve appearing in the books of the Transferee Company prior to the Scheme becoming effective, secondly, against the capital reserve recorded in the books of the Transferee Company pursuant to Clause 12 above, thirdly, against the balance in capital redemption reserve appearing in the books of the Transferee Company prior to the Scheme becoming effective and balance, if any, against the balance in the securities premium account appearing in the books of the Transferee Company prior to the Scheme becoming effective.



- 15.3. Any reduction in the share capital of the Transferee Company, required to give effect to the cancellation pursuant to Clause 15.1 and Clause 15.2 above, shall be effected as an integral part of this Scheme, pursuant to the order of the NCLT sanctioning the Scheme, under section 230 of the Act, and any other applicable provisions of the Act. The order of the NCLT sanctioning this Scheme shall also include approval and confirmation of such reduction in the share capital of the Transferee Company to the extent so required. Accordingly, as provided in the section 230 of the Act, the provisions of section 66 of the Act shall not apply to such reduction of share capital of the Transferee Company, effectuated in pursuance of the said order of the NCLT.
- 15.4. Notwithstanding the reduction of capital of the Resulting Company, the Resulting Company shall not be required to add "And Reduced" as suffix to its name

16. ENFORCEMENT OF CONTRACTS, DEEDS, BONDS & OTHER INSTRUMENTS:

- 16.1. Subject to other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which the Transferor Company is a party subsisting or having effect immediately before the Amalgamation, shall remain in full force and effect against or, as the case may be, in favour of the Transferee Company and may be enforced as fully and effectively as if instead of the Transferor Company, the Transferee Company was a party thereto. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that amalgamation and vesting of the Transferor Company occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds, confirmations or other writings or arrangements to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.
- 16.2. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, 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 there under, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall receive relevant approvals from the Government Authorities concerned as may be necessary in this behalf.

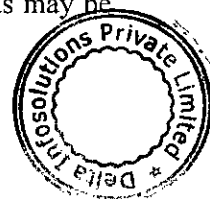
17. MATTERS RELATING TO SHARE CERTIFICATES:

- 17.1. The Share Certificates held by the Shareholders of the Transferor Company shall automatically stand cancelled without any necessity of them being surrendered to the Transferee Company.

PART IV - GENERAL TERMS AND CONDITIONS

18. APPLICATION TO NCLT

- 18.1. Necessary applications and / or petitions by the Transferor Company and the Transferee Company shall be made for the sanction of the Scheme of Amalgamation to the NCLT, for sanctioning of this Scheme under the provisions of law and obtain all approvals as may be required under the law.



19. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 19.1. Subject to approval of NCLT, the respective Boards or the respective authorized representative appointed by the Board of the Transferor Company and the Transferee Company may assent to any modifications, alterations or amendments of this Scheme or any conditions which the NCLT and / or any other competent authority may deem fit to direct or impose and the said respective Boards and after dissolution of the Transferor Company and the Transferee Company may do all such acts, things and deeds necessary in connection with or to carry out the Scheme into effect and take such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any order of the NCLT or any directions or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and / or matters concerned or connected therewith.
- 19.2. The Transferor Company and the Transferee Company may withdraw this Scheme prior to the Effective Date at any time.

20. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

The Scheme is conditional upon and subject to:

- 20.1. The approval by the requisite majorities of the respective members of the Transferor Company and the Transferee Company, as required under the Act and directed by the NCLT.
- 20.2. The Scheme being approved by a shareholders' resolution of the Transferee Company passed by way of postal ballot/e-voting in terms of Para I(A)(10)(a) of the SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 and other SEBI guidelines, as may be amended from time to time, wherein presently the Scheme shall be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it.
- 20.3. The sanction or approval of the authorities concerned being obtained and granted in respect of any of the matters for which such sanction or approval being required.
- 20.4. The sanction of the Scheme by the NCLT under Sections 230 to 232 of the Act and other applicable provisions of the Act.
- 20.5. The requisite orders of the NCLT being obtained for sanctioning the Scheme under Section 230 read with Section 232 of the Act being filed with the concerned Registrar of Companies.

21. OPERATIVE DATE OF THE SCHEME

- 21.1. The Scheme, although operative from the Appointed Date, shall become effective from the Effective Date.

22. BINDING EFFECT

- 22.1. Upon the Scheme becoming effective, the same shall be binding on the Transferor Company and the Transferee Company and all concerned parties without any further act, deed, matter or thing.

23. EFFECT OF NON-RECEIPT OF APPROVALS

- 23.1. In the event any of the said approvals or sanctions referred to above not being obtained or conditions enumerated in the Scheme not being complied with, or for any other reason, the Scheme cannot be implemented, the Boards of Directors or committee empowered thereof



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of the Transferor Company and the Transferee Company shall by mutual agreement waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, the Scheme shall become null and void and shall stand revoked, cancelled and be of no effect and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

24. GIVING EFFECT TO THE SCHEME

For the purpose of giving effect to the Scheme, the Board of Directors of the Transferor Company and the Transferee Company or any Committee thereof, is authorized to give such directions as may be necessary or desirable and to settle as they may deem fit, any question, doubt or difficulty that may arise in connection with or in the working of the Scheme and to do all acts, deeds and things necessary for carrying into effect the Scheme.

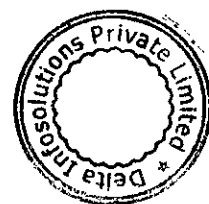
25. DISSOLUTION OF THE TRANSFEROR COMPANY

25.1. Upon the Scheme being sanctioned by an Order made by the NCLT under Sections 230 to 232 of the Act, the Transferor Company shall stand dissolved without winding up on the Effective Date, and without any further act or deed.

26. COSTS

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

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