SEC/FILING/BSE-NSE/22-23/68A-B **May 31, 2022**

BSE Limited
P. J. Towers,
Dalal Street, Fort,
Mumbai – 400 001.
Scrip Code: 511218

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, 5th Floor,
Plot no. C/1, G- Block,
Bandra-Kurla Complex,
Mumbai – 400 051.
NSE Symbol: SRTRANSFIN

Sir/Madam,

Sub: Notice of the Meeting of the Secured Creditors of Shriram Transport Finance Company Limited convened pursuant to the Order issued by the Hon'ble National Company Law Tribunal, Special Bench - II, Chennai contained in its order dated May 11, 2022 ("NCLT Order") in the matter of the Composite Scheme Of Arrangement and Amalgamation between Shrilekha Business Consultancy Private Limited and Shriram Financial Ventures (Chennai) Private Limited and Shriram Capital Limited and Shriram Transport Finance Company Limited ("Company") and Shriram City Union Finance Limited and Shriram LI Holdings Private Limited and Shriram GI Holdings Private Limited and Shriram Investment Holdings Limited and their respective Shareholders ("Scheme")

In continuation to our letter dated May 12, 2022 on the captioned subject, we are enclosing herewith the copy of Notice dated May 27, 2022 of the Meeting of Secured Creditors of the Company convened as per directions of NCLT Order along with the Explanatory Statement and Annexures referred in the notice ('Notice of Meeting of Secured Creditors'). Accordingly, the Meeting of the Secured Creditors of the Company is convened, which will be held through video conferencing ('VC') on **Monday, July 4, 2022** at **01:00 P.M.** to consider and approve the arrangement embodied in the Scheme.

As per the directions contained in the said NCLT Order, the Notice of Meeting of Secured Creditors is being sent through electronic means to all the Secured Creditors of the Company at their e-mail address registered with the Company/Depositories. The hard copies of Notice of the said Meeting of the Secured Creditors are being sent individually to those Secured Creditors whose e-mail addresses are not registered with the Company/Depositories through permitted mode.

The Secured Creditors may note that the Notice of Meeting of Secured Creditors is also available on the website of the Company at https://www.stfc.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL at https://www.evotingindia.com.

Pursuant to the provisions of Section 230(4) of the Act read with Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014; Regulation 44 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"); Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/ 0000000665 dated November 23, 2021 and Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by Securities and Exchange Board of India, the Company has provided the facility by remote e-voting so as to enable the Secured Creditors to cast their votes on the resolution set forth in the Notice of the Secured Creditors Meeting. In addition, the Company has also provided the facility of voting through e-voting during the Meeting of Secured Creditors.

The Company has appointed Central Depository Services (India) Limited ("CDSL") for the purpose of providing the facility of remote e-voting, VC and e-voting during the Meeting of Secured Creditors.

The remote e-voting will commence from **Friday, July 1, 2022 at 9:00 a.m. (IST)** and end on **Sunday, July 3, 2022 at 5:00 p.m. (IST).** The voting rights of Secured Creditors shall be in proportion to the outstanding debt as reflected in the Audited Accounts of the Company for the year ended March 31, 2022 ("Cut-off Date"). The detailed instructions for the manner of casting vote remote e-voting, joining the Meeting of Secured Creditors through VC and e-voting during the Meeting of the Secured Creditors are provided in the enclosed Notice of the Secured Creditors Meeting.

This disclosure is being made in compliance with Regulation 30 and other applicable regulations of the SEBI Listing Regulations, as amended. This is for your information and records.

Thanking You,

For Shriram Transport Finance Company Limited



Vivek Achwal
Company Secretary
Encl: a/a

SHRIRAM
Transport Finance Company Limited
A WINNING RELATIONSHIP

SHRIRAM TRANSPORT FINANCE COMPANY LIMITED

NCLT NOTICE - SECURED CREDITORS

SHRIRAM TRANSPORT FINANCE COMPANY LIMITED

Registered Office	Sri Towers, Plot No. 14A, South Phase, Industrial Estate, Guindy, Chennai - 600032
Tel No	+91 44 48524666
CIN	L65191TN1979PLC007874
Website	https://www.stfc.in/
E-mail	secretarial@stfc.in

MEETING OF THE SECURED CREDITORS OF SHRIRAM TRANSPORT FINANCE COMPANY LIMITED

(Convened pursuant to order dated May 11, 2022 passed by the National Company Law Tribunal, Bench at Chennai in C.A (CAA) NO. 7 OF 2022 ["Order"])

Day	Monday
Date	July 4, 2022
Time	1 P.M.
Mode	As permitted by Hon'ble National Company Law Tribunal, Chennai Bench, the Meeting shall be conducted through Video Conferencing ("VC").
Cut-off Date of E-voting	March 31, 2022 [As provided for in the Explanation to Rule 9 of Companies (Compromises, Arrangement and Amalgamations), Rules, 2016].

E-VOTING

Commencing on	From 09.00 a.m (IST) on Friday, July 1, 2022
Ending on	Upto 5.00p.m. (IST) on Sunday, July 3, 2022

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Form No. CAA 2

[Pursuant to Section 230(3) of the Companies Act, 2013, and Rules 6 and 7 of the Companies (Compromises, Arrangements and Amalgamation Rules, 2016)]

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH, AT CHENNAI
C.A (CAA) NO. 7 OF 2022

In the Matter of the Companies Act, 2013

And

In the Matter of Sections 230 to 232 read with Section 52 and other applicable provisions of the Companies Act, 2013

And

In The Matter of The Composite Scheme of Arrangement and Amalgamation between Shrilekha Business Consultancy Private Limited and Shriram Financial Ventures (Chennai) Private Limited & Shriram Capital Limited and Shriram Transport Finance Company Limited and Shriram City Union Finance Limited and Shriram LI Holdings Private Limited and Shriram GI Holdings Private Limited and Shriram Investment Holdings Limited and their respective shareholders

Shriram Transport Finance Company Limited
a Company incorporated under the Companies
Act, 1956, having its Registered Office at
Sri Towers, Plot No. 14A,
South Phase, Industrial Estate, Guindy, Chennai - 600032,
Represented by its Company Secretary, Mr. Vivek Achwal

…. Transferee Company 2/STFC

NOTICE CONVENING THE MEETING OF THE SECURED CREDITORS OF THE COMPANY UNDER THE PROVISIONS OF SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

To,

The Secured Creditors of Shriram Transport Finance Company Limited ("Transferee Company 2" or "Company" or "STFC")

TAKE NOTICE that by an order made on May 11, 2022 in the above mentioned Company Application **("Order")**, the Hon'ble National Company Law Tribunal, Bench, at Chennai **("NCLT")** has directed that a meeting of the secured creditors of the Company, be convened and held virtually by video conference on Monday, the 4th day of July, 2022 at 1:00 P.M. for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Composite Scheme of Arrangement and Amalgamation between Shrilekha Business Consultancy Private Limited and Shriram Financial Ventures (Chennai) Private Limited and Shriram Capital Limited and Shriram Transport Finance Company Limited and Shriram City Union Finance Limited and Shriram LI Holdings Private Limited and Shriram GI Holdings Private Limited and Shriram Investment Holdings Limited **("Scheme")** and their respective shareholders.

TAKE FURTHER NOTICE that in pursuance of the said Order and as directed therein, a meeting of the secured creditors of the Company, will be held on Monday, the 4th day of July, 2022 at 1:00 P.M., through Video Conferencing ("VC") at which date, day and time you are requested to attend.

At the meeting, the following resolution will be considered and if thought fit, be passed, with or without modification(s):

"RESOLVED THAT THAT pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 , (including any statutory modification or re-enactment thereof) read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 or any other rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, provisions of Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Master Circular No. SEBI/HO/ CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 issued by the Securities

and Exchange Board of India, as may be amended from time to time, the observation letters issued by each of the BSE Limited and the National Stock Exchange of India Limited, dated March 15, 2022 and March16, 2022, respectively, and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of Hon'ble National Company Law Tribunal, Bench, at Chennai ("NCLT") and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **"Board"**, which term shall be deemed to mean and include Merger/Amalgamation Committee or any other Committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the arrangement embodied in the proposed Composite Scheme of Arrangement and Amalgamation between Shrilekha Business Consultancy Private Limited ("the Transferor Company 1") and Shriram Financial Ventures (Chennai) Private Limited ("SFVPL") and Shriram Capital Limited ("Transferee Company 1" or "Demerged Company" or "Transferor Company 2") and Shriram Transport Finance Company Limited ("Transferee Company 2") and Shriram City Union Finance Limited ("Transferor Company 3") and Shriram LI Holdings Private Limited ("Resulting Company 1") and Shriram GI Holdings Private Limited ("Resulting Company 2") and Shriram Investment Holdings Limited ("Resulting Company 3") and their respective shareholders ("Scheme") placed before this meeting be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and /or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper without being required to seek any further approval of the Secured Creditors or otherwise to the end and intent that the Secured Creditors shall be deemed to have given their approval thereto expressly by authority under this Resolution and the Board be and is hereby further authorized to execute such further deeds, documents and writings that may be considered necessary, make necessary filings and carry out any or all activities for the purpose of giving effect to this Resolution."

TAKE FURTHER NOTICE that you may vote on the said resolution through remote e-voting (as set out in detail in this Notice) and attend and vote at the said meeting through e-voting during the meeting on Monday, July 4, 2022 at 1 P.M., the details of which are also mentioned herein below.

TAKE FURTHER NOTICE that pursuant to the provisions of Section 230(4) of the Companies Act, 2013 ("the Act") read with Rule 6(3)(xi) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof); and other relevant laws and regulations, as may be applicable updated or amended from time to time, the Company has provided the facility of voting by remote e-voting so as to enable the Secured Creditors to consider and approve the Scheme by way of the aforesaid resolution. In addition, the Company has provided the facility of voting through e-voting during the meeting. Accordingly, voting by the Secured Creditors) on the proposed Scheme shall be carried out through the remote e-voting prior to the meeting as well as e-voting made available during the meeting, respectively. The Company has appointed Central Depository Services (India) Limited ("CDSL") for the purpose of providing the VC facility, remote e-voting facility prior to the Meeting, and e-voting during the Meeting.

TAKE FURTHER NOTICE that copies of the Scheme and of the Explanatory Statement, under Sections 230(3) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with the enclosures as indicated in the Index, can be obtained free of charge at the registered office of the Company at Sri Towers, Plot No. 14A, South Phase, Industrial Estate, Guindy, Chennai – 600032.

TAKE FURTHER NOTICE that the NCLT, Chennai Bench has appointed Hon'ble Mr. Justice, V. Parthiban (Retd.), Former Judge of the Madras High Court and in his absence, a Director of the Company to be the Chairperson of the said meeting including for any adjournment or adjournments thereof.

A copy of the proposed Scheme, the Order of the NCLT, Chennai Bench dated May 11, 2022, Explanatory Statement under

Sections 230(3) and 102 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the enclosures as indicated in the Index are enclosed.

In terms of the Explanation to Rule 9 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the entitlement of the Secured Creditors, to vote shall be determined based on the outstanding debt as reflected in the Audited Accounts of the Company for the year ended March 31, 2022 ("**Cut-off Date**"). The votes cast by the said Secured Creditors shall be reckoned with reference to such Cut-off Date.

The Chairperson shall submit his report on the meeting within three days of the conclusion of the meeting to the Hon'ble Tribunal.

The above-mentioned Scheme, if approved at the aforesaid meeting, will be subject to such statutory and other approvals required and the sanction of the Hon'ble Tribunal.

Umesh Revankar
Vice Chairman and Managing Director
(DIN: 00141189)

Dated at Chennai on this the 27th day of May 2022

Registered office:
Sri Towers, Plot No. 14A, South Phase,
Industrial Estate, Guindy, Chennai - 600032.

Notes for the NCLT convening meeting of the Secured Creditors of the Company

1. In compliance with the provisions of the Companies Act, 2013 and the Order of the NCLT, the detailed procedure for participating in the meeting through VC to transact the business set out in the Notice convening this Meeting is set out, which does not require physical presence of the Secured Creditors at a common venue. The deemed venue for the aforesaid Meeting shall be the Registered Office address of the Company.
2. The Company has availed the services of Central Depository Services (India) Limited ("CDSL") as the authorized E-voting's agency for conducting the NCLT convening meeting of the Secured Creditors of the Company through VC ("Meeting") and enabling participation of Secured Creditors at the Meeting thereto and for providing services of remote e-voting and e-voting during the Meeting of the Secured Creditors.
3. Institutional/Corporate Secured Creditors including banks and financial institutions (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of their Board or governing body Resolution/Authorization etc., authorizing their representative to attend the Meeting through VC on their behalf and to vote through remote e-voting and e-voting during the Meeting pursuant to Section 113 of the Companies Act, 2013. The said resolution/ authorization shall be sent to the Scrutinizer by email through its registered email address to srirampcs@gmail.com if they have not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
4. The Explanatory Statement pursuant to Section 230 read with Section 102 and other applicable provisions of the Companies Act, 2013 ("Act") and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other enclosures as indicated in the index in respect of the business set out in the Notice of the Meeting is annexed hereto.
5. The facility of joining the Meeting through VC will be opened 15 minutes before and will be open upto 15 minutes after the scheduled start time of the Meeting i.e., from 12.45 p.m. to 01.15 p.m.
6. Secured Creditors of the Company, are encouraged to attend and vote at the Meeting.
7. The Company has chosen the option of holding the Meeting through VC, as permitted by the Order of the NCLT. Consequently, and in compliance with the MCA Circulars on holding of Meetings through VC, the facility to appoint proxy by Secured Creditors will not be available for this Meeting and therefore, Proxy Form and Attendance Slip are not annexed to this Notice.
8. The Notice of the meeting and the accompanying documents mentioned in the Index are being sent through electronic mode to all the Secured Creditors to the email addresses that are registered with the Company, as permitted by the Order of the NCLT. The hard copies of Notice of the meeting are being sent through permitted mode for those Secured Creditors whose e-mail addresses are not registered with the Company. The Secured Creditors may note that the notice is

also available on the website of the Company at https://www.stfc.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL at https://www.evotingindia.com.

9. The Secured Creditors attending the Meeting through VC shall be reckoned for the purpose of quorum. In terms of the Order of the NCLT, the quorum for the meeting of the Secured Creditors is 25 (Twenty Five) and in the event the quorum does not meet within half an hour, the persons present, will be treated as constituting a valid quorum. The Secured Creditors are urged to attend the meeting.

10. The voting rights of Secured Creditors shall be in proportion to the outstanding debt amount as on the Cut-off Date. Once the vote on the resolution is cast by the Secured Creditor, the Secured Creditor shall not be allowed to change it subsequently.

11. Person(s)/Institution(s)/Bank(s) who became a Secured Creditor after the Cut-off Date should treat this Notice for information purpose only.

12. Since the Meeting will be held through VC the Route Map is not annexed in this Notice.

13. The documents referred to in the Notice and the accompanying Explanatory Statement shall be open for inspection by the Secured Creditor at the registered office of the Company between 10.00 a.m. and 04.00 p.m. on all days (except Saturdays, Sundays and public holidays) up to the date of the Meeting. All documents referred to in the Notice will be available for inspection, without any fee, by the Secured Creditor and shall remain open and be accessible to any Secured Creditor during the continuance of the Meeting. Secured Creditor seeking to inspect such documents can send an e-mail to secretarial@stfc.in.

14. The Notice convening the meeting and the date of dispatch of the notice will be published through advertisement in the following newspapers, namely, (i) Indian Express (All India Edition) in the English language; and (ii) translation thereof in Dinamani (Tamil Nadu Edition) in the Tamil language.

15. The Scheme shall be considered approved by the Secured Creditor of the Company if the resolution mentioned in this Notice is approved in the manner provided for under the Companies Act and SEBI Listing Regulations. The Resolution if passed in the manner aforesaid, will be deemed to have been passed on the date of the Meeting.

16. Mr. P. Sriram, Practicing Company Secretary (Membership No. FCS 4862) has been appointed as the scrutinizer to conduct the voting process through remote e-voting and voting at the Meeting in a fair and transparent manner.

17. The scrutinizer shall submit his report to the Chairperson of the Meeting after completion of the scrutiny of the votes cast by the Secured Creditor through remote e-voting and voting at the Meeting. The scrutinizer's decision on the validity of the votes shall be final. The results of the Meeting shall be announced by the Chairperson within three (3) days of the conclusion of the Meeting upon receipt of Scrutinizer's report and the same shall be displayed on the website of the Company viz. https://www.stfc.in and on the website of CDSL viz. https://www.evotingindia.com, besides being communicated to BSE Limited and the National Stock Exchange of India Limited.

18. Procedure for joining the Meeting through VC:

a. Secured Creditors will be provided with a facility to attend the Meeting through VC through the CDSL e-Voting system. Secured Creditors may access the same at https://www.evotingindia.com under the option "Shareholders / Members" and login by using the remote e-voting credentials. The link for VC will be available in the login where the EVSN of the Shriram Transport Finance Company Limited will be displayed.

b. Secured Creditors will be able to attend the Meeting through VC by using their remote e-voting login credentials and selecting the link available against the EVSN for the Meeting.

c. Secured Creditors are encouraged to join the Meeting through Laptops for better experience. Further Secured Creditors will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

d. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

e. The user ID and alphanumeric password for the purpose of E-Voting / joining the Meeting through VC will be available in the communication (Pin-mailer) sent along with the notice.

19. Secured Creditors who would like to express their views or ask questions during the Meeting, may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email ID, mobile number to secretarial@stfc.in. from Thursday, June 30, 2022 at 9:00 a.m. (IST) to Saturday, July 2, 2022 at 5:00 p.m. (IST). Only those Secured Creditors who have registered themselves as speaker during this period will be allowed to express their views or ask questions at the Meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Meeting.

20. Procedure for remote e-Voting and e-Voting during the Meeting

- Secured Creditors shall have the option to vote electronically ("e-voting") either before the Meeting ("remote e-voting") or during the Meeting.
- Remote e-voting (Before the date of Meeting) - The Instructions for remote e-voting before the date of Meeting and during the Meeting is provided in this notice.

The remote e-voting period begins on Friday, July 1, 2022 at 09.00 a.m (IST) and ends on Sunday, July 3, 2022 at 05.00 p.m (IST). The e-voting module shall be disabled for voting after Sunday, July 3, 2022 at 05.00 p.m (IST).

During this period, Secured Creditors as on Cut-off date and those who are eligible only shall be entitled to exercise their vote through e-voting process.

21. Instructions for E-voting : The way to vote electronically on CDSL E-Voting system are mentioned below -

- The Secured Creditors should log on to the e-voting website www.evotingindia.com during the voting period.
- Click on "Shareholders / Members"
- Enter the User ID.
- Next enter the Image Verification as displayed and Click on Login.
- Next Enter the Password - As provided in the Pin-Mailer.
- After entering these details appropriately, click on "SUBMIT" tab.
- Click on the EVSN of Shriram Transport Finance Company Limited on which you choose to vote.
- On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "Yes/No" for voting. Select the option Yes or No as desired. The option YES implies that the Secured Creditors assents to the Resolution and option NO implies that the Secured Creditors dissents to the Resolution.
- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- Those Secured Creditors, who will be present in the Meeting through VC facility and have not cast their vote on the Resolutions through remote e-Voting, shall be eligible to vote through e-Voting system during the Meeting.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password.
- In such an event, you will need to go through the "Forgot Password" option.

22. Voting during the Meeting:

The procedures for e-voting during the Meeting are the same as for remote e-voting. Secured Creditors who have voted through Remote e-Voting will be eligible to attend the Meeting. However, they will not be eligible to vote at the Meeting.

Only those Secured Creditors, who are present in the Meeting through VC facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the Meeting.

If you have any queries or issues regarding attending the Meeting & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,
BENCH, AT CHENNAI
CA (CAA) NO. 7 OF 2022

In the Matter of the Companies Act, 2013

And

In the Matter of Sections 230 to 232 read with Section 52 and other applicable provisions of the Companies Act, 2013

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Shriram Transport Finance Company Limited
a Company incorporated under the Companies
Act, 1956, having its Registered Office at
Sri Towers, Plot No. 14A,
South Phase, Industrial Estate, Guindy, Chennai - 600032,
Represented by its Company Secretary, Mr. Vivek Achwal

…. Transferee Company 2/STFC

EXPLANATORY STATEMENT UNDER SECTIONS 230(3) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

Meeting for Composite Scheme of Arrangement and Amalgamation:

1. Pursuant to the Order dated May 11, 2022 passed by the Hon'ble National Company Law Tribunal, Bench, at Chennai (the "NCLT"), in CA(CAA) No. 7 of 2022 ("Order"), a meeting of the Secured Creditors of Shriram Transport Finance Company Limited (hereinafter referred to as the "Company" or the "Transferee Company 2" or "STFC" as the context may admit) is being convened and held virtually by video conference on Monday, July, 4 2022 at 1:00 P.M for the purpose of considering, and if thought fit, approving, with or without modification(s), the Composite Scheme of Arrangement and Amalgamation between Shrilekha Business Consultancy Private Limited and Shriram Financial Ventures (Chennai) Private Limited and Shriram Capital Limited and Shriram Transport Finance Company Limited and Shriram City Union Finance Limited and Shriram LI Holdings Private Limited and Shriram GI Holdings Private Limited and Shriram Investment Holdings Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Scheme"). A copy of the Scheme, which has been, inter alia, approved by the Audit Committee and the Board of Directors of the Company at their respective meetings held on December, 13, 2021, is enclosed as **Annexure A**. Capitalised terms used herein but not defined shall have the meaning assigned to them in the Scheme unless otherwise stated.

2. In terms of the said Order, the quorum for the said meeting shall be 25 (Twenty Five) Secured Creditors present in the meeting and in the event the quorum does not meet within half an hour, the Secured Creditors present, will be treated as constituting valid quorum. The Secured Creditors are urged to attend the meeting. Further in terms of the said Order, the NCLT, has appointed Hon'ble Mr. Justice V. Parthiban (Retd.), Former Judge, Madras High Court, and in his absence, a Director of the Company as the Chairperson of the meeting of the Secured Creditors of the Company including for any adjournment or adjournments thereof.

3. This Explanatory Statement is being furnished as required under Sections 230(3), and 102 of the Companies Act, 2013 (the "Act") read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the "Rules").

4. As stated earlier, NCLT by its said Order has, inter alia, directed that a meeting of the Secured Creditors of the Company shall be convened and held through video conferencing on Monday, July 4, 2022 at 1:00 P.M. for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement embodied in the Scheme. Secured Creditors would be entitled to vote in the said meeting through the remote e-voting system/ e-voting during the

meeting.

5. If the entries in the records/registers of the Company in relation to the value, as the case may be, of the Secured Creditors are disputed, the Chairperson of the meeting shall determine the value, as the case may be, for the purposes of the said meeting.

Particulars of the Company

6. The Company, Shriram Transport Finance Company Limited ("STFC" or "Transferee Company 2") was incorporated under the provisions of Companies Act, 1956 on June 30, 1979 in Tamil Nadu. The Transferee Company 2 is a listed public limited company. The Equity shares of the Transferee Company 2 are listed on the National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE'). There has been no change in the name of the Transferee Company 2 in the last five (5) years. The Corporate Identification Number of the Transferee Company 2 is L65191TN1979PLC007874. The Permanent Account Number of the Transferee Company 2 is AAACS7018R.

7. The registered office of the Transferee Company 2 is situated at Sri Towers, Plot No. 14A, South Phase, Industrial Estate, Guindy, Chennai - 600032. The registered office of the Transferee Company 2 was shifted to the said address with effect from August 19, 2020 and is the only instance of the shifting of its registered office in the last five (5) years. The e-mail address of the Transferee Company 2 is secretarial@stfc.in

8. The objects for which the Company has been established are set out in its Memorandum of Association.

   The main objects of the Company are, as follows:

   "III. (A)

   1. To carry on and undertake business as Financiers and Capitalists, to finance operations of all kinds such as managing, purchasing, selling, hiring, letting on hire and dealing in all kinds of vehicles, motor cars, motor buses, motor lorries, scooters and all other vehicles.

   2. To undertake and carry on all operations and transactions in regard to business of any kind in the same way as an individual capitalist may lawfully undertake and carry out and in particular, the financing Hire Purchase Contracts relating to vehicles of all kinds.

   3. To carry on and undertake business as Financier and Capitalists to finance operations of all kinds such as managing, purchasing, selling, hiring, letting on hire and dealing in all kinds of property, movable or immovable goods, chattels, lands, bullion.

   4. To undertake and carry on all operations and transactions in regard to business of any kind in the same manner as an individual capitalist may lawfully undertake and carryout and in particular financing hire purchase contracts relating to property or assets of any description either immovable or movable such as houses, lands, stocks, shares, Government Bonds.

   5. To carry on and become engaged in financial, monetary and other business transactions that are usually and commonly carried on by Commercial Financing Houses, Shroffs, Credit Corporations, Merchants, Factory, Trade and General Financiers and Capitalists.

   6. To lend, with or without security, deposit or advance money, securities and property to, or with, such persons and on such terms as may seem expedient.

   7. To purchase or otherwise acquire all forms of immovable and movable property including Machinery, Equipment, Motor Vehicles, Buildings, Cinema Houses, Animals and all consumer and Industrial items and to lease or otherwise deal with them in any manner whatsoever including resale thereof, regardless of whether the property purchased, and leased new and/or used.

   8. To provide a leasing advisory counselling service to other entities and/or form the leasing arm for other entities.

   8.A. The Company shall either singly or in association with other Bodies Corporate act as Asset Management Company/ Manager/Fund Manager in respect of any Scheme of Mutual Fund, whether Open-End Scheme or Closed-end Scheme, floated/to be floated by any Trust/Mutual Fund (whether offshore or on shore) / Company by providing management of Mutual Fund for both offshore and on shore Mutual Funds, Financial Services, Consultancy, exchange of research and

analysis on commercial basis.

Constitute any trust and to subscribe and act as, and to undertake and carry on the office or offices and duties of trustees, custodian trustees, executors, administrators, liquidators, receivers, treasurers, attorneys, nominees and agents; and to manage the funds of all kinds of trusts and to render periodic advice on investments, finance, taxation and to invest these funds from time to time in various forms of investments including shares, term loans and debentures etc.

Carry on and undertake the business of portfolio investment and Management, for both individuals as well as large Corporate Bodies and/or such other bodies as approved by the Government, in Equity Shares, Preference Shares, Stock, Debentures (both convertible and non-convertible), Company deposits, bonds, units, loans, obligations and securities issued or guaranteed by Indian or Foreign Governments, States, Dominions, Sovereigns, Municipalities or Public Authorities and/ or any other Financial Instruments, and to provide a package of Investment/Merchant Banking Services by acting as Managers to Public Issue of securities, to act as underwriters, issue house and to carry on the business of Registrar to Public Issue/various investment schemes and to act as Brokers to Public Issue.

Without prejudice to the generality of the foregoing to acquire any share, stocks, debentures, debenture-stock, bonds, units of any Mutual Fund Scheme or any other statutory body including Unit Trust of India, obligations or securities by original subscription, and/or through markets both primary, secondary or otherwise participating in syndicates, tender, purchase, (through any stock exchange, OTC exchange or privately), exchange or otherwise and to subscribe for the same whether or not fully paid up, either conditionally or otherwise, to guarantee the subscription thereof and to exercise and to enforce all rights and powers conferred by or incidental to the ownership thereof and to advance deposit or lend money against securities and properties to or with any company, body corporate, firms, person or association or without security and on such terms as may be determined from time to time.

To engage in Merchant Banking activities, Venture Capital, acquisitions, amalgamations and all related merchant banking activities including loan syndication.

Resolution Passed at the E.G.M. Held on 05.09.96

9. *To carry on the business as manufacturers, Exporters, Importers, Contractors, Sub-contractors, Sellers, Buyers, Lessors or Lessees and Agents for Wind Electric Generators and turbines, Hydro turbines, Thermal Turbines, Solar modules and components and parts including Rotor blades, Braking systems, Tower, Nacelle, Control unit, Generators, etc. and to set up Wind Farms for the company and/or for others either singly or jointly and also to generate, acquire by purchase in bulk, accumulate, sell, distribute and supply electricity and other power (subject to and in accordance with the laws in force from time to time).*

Resolution passed at the A.G.M. Held on 31.12.96

10. *To carry on business of an investment company or an Investment Trust Company, to undertake and transact trust and agency investment, financial business, financiers and for that purpose to lend or invest money and negotiate loans in any form or manner, to draw, accept, endorse, discount, buy, sell and deal in bills of exchange, hundies, promissory notes and other negotiable instruments and securities and also to issue on commission, to subscribe for underwrite, take, acquire and hold, sell and exchange and deal in shares, stocks, bonds or debentures or securities of any Government or Public Authority or Company, gold and silver and bullion and to form, promote and subsidise and assist companies, syndicates and partnership to promote and finance industrial enterprises and also to give any guarantees for payment of money or performance of any obligation or undertaking, to give advances, loans and subscribe to the capital of industrial undertakings and to undertake any business transaction or operation commonly carried on or undertaken by capitalists, promoters, financiers and underwriters.*

Resolution passed at the A.G.M. Held on 31.12.96

11. *To act as investors, guarantors, underwriters and financiers with the object of financing Industrial Enterprises, to lend or deal with the money either with or without interest or security including in current or deposit account with any bank or banks, other person or persons upon such terms, conditions and manner as may from time to time be determined and to receive money on deposit or loan upon such terms and conditions as the Company may approve provided that the*

Company shall not do any banking business as defined under the Banking Regulation Act, 1949.

Resolution Passed at the A.G.M. Held on 29.03.2000

12. *To carry on in India or elsewhere the business of consultancy services in various fields, such as, general, administrative, commercial, financial, legal, economic, labour and industrial relations, public relations, statistical, accountancy, taxation and other allied services, promoting, enhancing, propagating the activity of investment in securities, tendering necessary services related thereto, advising the potential investors on investment activities, acting as brokers, sub-brokers, Investment Consultant and to act as marketing agents, general agents, sub agents for individuals/bodies corporate/ Insititutions for marketing of shares, securities, stocks, bonds, fully convertible debentures, partly convertible debentures, non-convertible debentures, debenture stocks, warrants, certificates, premium notes, mortgages, obligations, inter corporate deposits, call money deposits, public deposits, commercial papers, general insurance products, life insurance products and other similar instruments whether issued by government, semi government, local authorities, public sector undertakings, companies corporations, co-operative societies, and other similar organisations at national and international levels.*

Resolution Passed vide Postal Ballot on 31.08.2006

13. *To carry on the business of buying, selling of trucks and other commercial vehicles and reconditioning, repairing, remodeling, redesigning of the vehicles and also acting as dealer for the said vehicles, for all the second hand commercial and other vehicles and to carry on the business of buying, selling, importing, exporting, distributing, assembling, repairing and dealing in all types of vehicles including re-conditioned and remanufactured automobiles, two and three wheelers, tractors, trucks and other vehicles and automobile spares, replacement parts, accessories, tools, implements, tyres and tubes, auto lamps, bulbs, tail light and head light bulbs, assemblies and all other spare parts and accessories as may be required in the automobile industry."*

There has been no change in the objects clause of the Company in the last 5 years.

9. The Authorized, Issued, Subscribed and Paid-up share capital of the Company as on March 31, 2021 as reflected in the Audited Balance Sheet of the Company is as follows:

Particulars	**As at March 31, 2021**	
	Number	**Amount**
Authorised		
Equity Shares of ₹ 10 each	647,000,000	6,470,000,000
Preference Shares of ₹ 100/- each	95,000,000	9,500,000,000
Issued, Subscribed and, Fully Paid up Equity Shares		
Issued Equity Shares of ₹ 10 each	253,067,654	2,530,676,540
Subscribed Equity Shares of ₹ 10 each	253,061,513	2,530,615,130
Fully Paid up Equity Shares of ₹ 10 each	253,061,513	2,530,615,130

10. The Authorized, Issued, Subscribed, and Paid-up share capital of the Company as reflected in the accounts of the Company subjected to a Limited Review audit, as on September 30, 2021 is

Particulars	**As at 30th September 2021**	
	Number	**Amount**
Authorised		
Equity Shares of ₹ 10 each	647,000,000	6,470,000,000
Preference Shares of ₹ 100/- each	95,000,000	9,500,000,000
Issued, Subscribed and, Fully Paid up Equity Shares		
Issued Equity Shares of ₹ 10 each	268,789,754	2,687,897,540
Subscribed Equity Shares of ₹ 10 each	268,783,613	2,687,836,130
Fully Paid up Equity Shares of ₹ 10 each	268,783,613	2,687,836,130

11. Issued, Subscribed and paid-up Share Capital of the Company has increased by 1,736,100 equity shares of ₹10 each on conversion of warrants into Equity Shares on 25.11.2021 and the increased paid-up capital stands at ₹ 2,705,197,130/- as

on that date.

DESCRIPTION OF THE SCHEME

12. The Scheme provides for

    (i) the amalgamation of Shrilekha Business Consultancy Private Limited ("SBCPL/ Transferor Company 1") with Shriram Capital Limited ("SCL/ Transferee Company 1/ Demerged Company/ Transferor Company 2") which is envisaged under Section I, Part III of the Scheme

    (ii) the demerger of the undertaking from SCL, carrying on the business of Financial Services, and the transfer and vesting thereof into Shriram Investment Holdings Limited (SIHL/ Resulting Company 3"); which is envisaged under Section II, Part III of the Scheme

    (iii) the demerger of undertakings from SCL carrying on the businesses of a) Life Insurance and b) General Insurance, and the transfer and vesting of the same into a) Shriram LI Holdings Private Limited ("SLIH/ Resulting Company 1") and b) Shriram GI Holdings Private Limited ("SGIH/ Resulting Company 2") respectively; which is envisaged under Section III, Part III of the Scheme

    (iv) the amalgamation of SCL (with its remaining undertaking and investments) with Shriram Transport Finance Company Limited ("STFC/ Transferee Company 2") and

    (v) the amalgamation of Shriram City Union Finance Limited ("SCUF/ Transferor Company 3") with STFC with effect from the Appointed Date.

13. Section IV of Part III of the Scheme provides for the amalgamation of the Transferor Company 2 (with its Remaining Undertaking) with the Transferee Company 2 together with all of its movable assets, immovable properties, investments, licenses, benefits, entitlements, incentives, concessions, contracts, intellectual property, employees, proceedings, rates, duties, cess, books & records as also the liabilities for which consideration shall be paid by the Transferee Company 2 to the shareholders of the Transferor Company 2. Section V of Part III of the Scheme provides for the amalgamation of the Transferor Company 3 with the Transferee Company 2 together with all of its movable assets, immovable properties, investments, licenses, benefits, entitlements, incentives, concessions, contracts, intellectual property, employees, proceedings, rates, duties, cess, books & records as also the liabilities for which consideration shall be paid by the Transferee Company 2 to the shareholders of the Transferor Company 3. The proposal is to be implemented in terms of the Scheme under Sections 230 - 232 of the Act.

14. Section I of Part III of the Scheme will take effect on the Effective Date 1, but with effect from the Appointed Date. The remaining parts of Part III of the Scheme, and Part IV of the Scheme will take effect on the Effective Date 2, but with effect from the Appointed Date, such that on the Appointed Date, Section I of Part III of the Scheme will take effect first, followed by the remaining parts of Part III of the Scheme, and Part IV of the Scheme.

RATIONALE FOR THE SCHEME IS AS UNDER:

The merger of Transferee Company 1/Demerged Company/Transferor Company 2 with its remaining undertaking, with Transferee Company 2, will achieve the combination of the remaining line of business activities [i.e., other than the Life Insurance, General Insurance and Financial Services] of the Transferee Company 1/Demerged Company/Transferor Company 2 with Transferee Company 2, which is a listed entity engaged in the business of financial lending. This will ensure that the companies forming part of the Group, which are focused on the business of lending are concentrated in a single large entity, which has the necessary means, presence and resources to achieve still larger scales in the business of lending, while reducing the presence of multiple entities across the Group, with an interest and presence in the same line of business.

The proposal in the Scheme to amalgamate the Transferor Company 3 with the Transferee Company 2, will also serve to be highly beneficial to all the stakeholders, by bringing together the capabilities and the presence of the Group in the categories of transport finance, and retail finance, and in the process create a larger financial lending entity with both these businesses combined, and the resulting benefits of scale and synergies of operation. This proposed merger will further consolidate the leadership position of Transferee Company 2 in the 'Commercial Vehicle' market. Following the proposed merger, and by virtue of the Transferor Company 3's extensive understanding of credit culture, the amalgamated entity will be able to launch retail finance products in locations that the Transferor Company 3 has not been able to penetrate. The combination of the operations of these two entities with their own vast networks of customers, will uniquely position the Group to ensure that each line of business is expanded to its fullest potential on the strength of a larger, amalgamated

entity. This process will help in consolidating the vast branch network of these two companies and is likely to provide a variety of retail lending under a single window with attendant saving of expenditure.

Corporate Approvals

15. The proposed Scheme, was placed before the Audit Committee of the Transferee Company 2 at its meeting held on December 13, 2021. The Audit Committee of the Transferee Company 2 took into account the Valuation Report, dated December 13, 2021, issued by M/s. Ernst & Young Merchant Banking Services LLP and Ms. Drushti Desai of M/s. Bansi S Mehta & Co., Chartered Accountants (the "Valuation Report") and the fairness opinion dated December 13, 2021, provided by M/s. HSBC Securities and Capital Market (India) Private Limited, an Independent SEBI registered Category I Merchant Banker ("Fairness Opinion"), appointed for this purpose by the Transferee Company 2. A copy of the Valuation Report is enclosed as **Annexure C**. The Valuation Report is also open for inspection. A copy of the Fairness Opinion is enclosed as **Annexure D**. The Audit Committee based on the aforesaid, inter alia, recommended the Scheme to the Board of Directors of the Transferee Company 2 for its approval.

16. The Scheme along with the Valuation Report was placed before the Board of Directors of the Transferee Company 2, at its meeting held on December 13, 2021. The Fairness Opinion and the report of the Audit Committee was also submitted to the Board of Directors of the Transferee Company 2. Based on the aforesaid, the Board of Directors of the Transferee Company 2 approved the Scheme. None of the directors voted against the Scheme and thus, the Scheme was approved unanimously by Mr. S. Lakshminarayanan (Chairman), Mr. Umesh Revankar, Mr. S. Sridhar, Mr. Pradeep Kumar Panja and Mr. Ignatius Michael Viljoen, who attended and voted at the meeting. Mrs. Kishori Udeshi and Mr. D. V. Ravi were not present at the Board Meeting.

Details of approvals from Regulatory Authorities in relation to the Scheme

17. BSE Limited was appointed as the designated stock exchange by the Transferee Company 2 for the purpose of coordinating with the Securities and Exchange Board of India ("SEBI"), pursuant to the SEBI Circulars. The Transferee Company 2 has received observation letters regarding the Scheme from BSE and NSE, on March 15, 2022 and March 16, 2022 respectively. In terms of the observation letters of BSE and NSE dated March 15, 2022 and March 16, 2022, respectively, BSE and NSE, inter alia, conveyed their no adverse observations/no objection for filing the Scheme with the NCLT. Copies of the observation letters dated March 15, 2022 and March 16, 2022, received from BSE and NSE, respectively, are enclosed as **Annexure E**.

18. The Company is a Systematically Important Deposit Accepting Non-Banking Financial Company, within the meaning of the Reserve Bank of India [RBI], Master Directions – Non Banking Financial Company – Systematically Important Non-deposit taking Company and Deposit taking Company, 2016, as amended from time to time. The Company has accordingly sought RBI's approval of the Scheme, vide a communication dated January 12, 2022.

19. Further, the Company will notify the Competition Commission of India as required under Section 6(2) of the Competition Act, 2000 read with applicable Regulations.

20. The Companies or any of them would obtain such necessary approvals/sanctions/no objection(s) from the regulatory or other governmental authorities in respect of the Scheme in accordance with law, if so required.

21. The applications along with the annexures thereto (which includes the Scheme) were filed by the Companies with the NCLT, on January 27, 2022 and the NCLT has by the Order dated May 11, 2022 directed that a meeting of the Secured Creditors of the Company, be convened and held, and permitted the Company to hold the same through VC.

22. Notice under Section 230(5) of the Companies Act, 2013 read with Rule 8 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 will be given to the concerned authorities.

SALIENT FEATURES OF THE SCHEME

I. Definitions

The extracts of the definitions in the Scheme are as under:

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meanings as mentioned herein below:

(a) ***"Accounting Standards"*** *means the Indian Accounting Standards as notified under Section 133 of the Act read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, issued by the Ministry of Corporate Affairs and the other accounting principles generally accepted in India;*

(b) ***"Act" or "the Act"*** *means the Companies Act, 2013, and rules made thereunder and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force as may be applicable;*

(c) ***"Applicable Law"*** *means relevant and applicable central, state and local laws of the Republic of India, which includes applicable statute(s), law(s), regulation(s), ordinance(s), rule(s), judgement(s), order(s), decree(s), clearance(s), approval(s), directive(s), guideline(s), requirement(s) or any similar form of determination by or decision of any Governmental Authority, whether in effect as of the date on which this Scheme has been approved by the Board of the companies concerned, or at any time thereafter;*

(d) ***"Appointed Date"*** *shall mean the 1st of April 2022;*

(e) ***"Board of Directors"*** *or* ***"Board"*** *shall mean the Board of Directors or any committee thereof of the Transferor Companies, SFVPL, Demerged Company, Resulting Companies, and Transferee Companies, as the context requires;*

(f) ***"Book Value(s)"*** *shall, for the purpose of Part III, mean the value(s) of the assets and liabilities of the Transferor Companies/ Demerged Company, as appearing in their books of accounts, at the close of the business as on the day immediately preceding the Appointed Date and excluding any value arising out of revaluation.*

(g) ***"Business Day"*** *shall mean any day apart from a Saturday or a Sunday, on which banks are open for business in Chennai, India.*

(h) ***"Court"*** *or* ***"Tribunal"*** *means the National Company Law Tribunal ("NCLT") or the National Company Law Appellate Tribunal ("NCLAT") as constituted and authorized as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under Sections 230 to 232 of the Companies Act, 2013, and shall include inter-alia the Benches of the NCLT having jurisdiction over the respective Transferor Companies, Demerged Company, Resulting Companies, SFVPL, and the Transferee Companies;*

(i) ***"Companies"*** *means the Transferor Companies, SFVPL, Demerged Company, Resulting Companies and the Transferee Companies collectively.*

(j) ***"Core Investment Company"*** *or* ***"CIC"*** *has the meaning assigned to such term in the 'Master Direction – Core Investment Companies (Reserve Bank) Directions, 2016', as amended from time to time.*

(k) ***"Demerged Company"****, shall, for the purposes of this Scheme and in particular Section II and Section III of Part III, mean SCL.*

(l) ***"Demerged Insurance Undertakings"*** *shall, for the purposes of this Scheme and in particular Sections II and III of Part III, mean the Life Insurance Undertaking and General Insurance Undertaking of the Demerged Company, collectively.*

(m) ***"Effective Date 1"*** *shall for the purpose of Section I of Part III of the Scheme, be no later than the 10th day from the date on which the certified copy of the order of the NCLT sanctioning the Scheme of Arrangement and Amalgamation becomes available, and on such date, the certified copy of the order of the NCLT sanctioning the Scheme will be filed with the Registrar of Companies by the Transferor Company 1 and Transferee Company 1, and various actions set out in Section I of Part III of the Scheme, will be undertaken and be given effect to by the Companies. Any reference in Part III – Section I of the Scheme to the "Effective Date", "Scheme becoming effective" or "On the Scheme becoming effective" or "Upon the Scheme becoming effective" or "Effectiveness of the Scheme" shall be construed as references to the "Effective Date 1".*

(n) ***"Effective Date 2"****, shall for the purpose of Sections II, III, IV, V and VI of Part III and Part IV of the Scheme, be no later than the 25th day from the date on which the certified copies of the order of the NCLT sanctioning the Scheme of Arrangement and Amalgamation becomes available, and on such date, the certified copy of the order of the NCLT sanctioning the Scheme will be filed with the Registrar of Companies by the Transferor Company 3, Resulting Companies and Transferee Company 2, and various actions set out in Sections II, III, IV, V and VI of Part III of the Scheme and Part IV of the Scheme will be undertaken and be given effect to by the Companies.. Any references in Sections II, III, IV, V and VI of Part III of the Scheme, and in Part IV of the Scheme to any of the following: the "Effective Date", "Scheme becoming effective" or "On the Scheme becoming effective" or "Upon the Scheme becoming effective" or "Effectiveness of the Scheme" shall be construed*

as references to the "Effective Date 2".

Provided however that if any Part of the Scheme as sanctioned, cannot be given effect to or implemented, then no other Part of the Scheme will be deemed to have become effective.

(o) ***"ESOP 1"*** *shall mean the Transferor Company 3's employee stock option plans as approved by the Board of Directors of the Transferor Company 3 and its shareholders as per the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time.*

(p) ***"ESOP 2"*** *means the Transferee Company 2's employee stock option plan that shall be established by the Transferee Company 2 as per the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time.*

(q) ***"Financial Services Undertaking"*** *shall mean all the businesses, undertakings, activities, properties, assets and liabilities (including but not limited to, contingent liabilities, guarantees and indemnities), of whatsoever nature and kind and wheresoever situated, pertaining and/or relating to the Demerged Company's interest in the line of business involving financial services and the Demerged Company's strategic investment in its subsidiaries, namely, SCCL, SVS, SOIPL and Way2Wealth Insurance (collectively, "Financial Services Undertaking Subsidiaries"), which carry on the business of providing financial services and other ancillary businesses; and shall include specifically the following:*

(i) *the businesses, all secured and unsecured debts, liabilities, duties and obligations and all the assets, properties, rights, title and benefits, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed), all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, strategic investments (including investments in the Financial Services Undertaking Subsidiaries), reserves, provisions, funds, licenses, registrations, accreditations to trade and industrial bodies, leases, licenses, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, Software Licenses, Domain / Websites etc., in connection with or relating to the Financial Services Undertaking and other claims and powers, of whatsoever nature and wheresoever situated belonging to, or in the possession of, or granted in favour of, or enjoyed by the Demerged Company with respect to the Financial Services Undertaking, as on the Appointed Date.*

(ii) *all employees of/related to the Financial Services Undertaking as on the Effective Date and whose services are transferred to the Resulting Company 3 and contributions, if any, made towards any provident fund, employees state insurance, gratuity fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees, together with such of the investments made by these Funds, which are referable to such employees.*

(iii) *All legal [whether civil or criminal], taxation or other proceedings or investigations of whatsoever nature [including those before any Governmental Authority] that pertain to the Financial Services Undertaking of the Demerged Company, initiated by or against the Demerged Company with respect to the Financial Services Undertaking or proceedings or investigations to which the Demerged Company is a party which relate to the Financial Services Undertaking, including arbitration proceedings involving the Demerged Company with respect to the Financial Services Undertaking, whether pending as on the Appointed Date or which may be instituted any time after the Appointed Date, but before the Effective Date.*

(iv) *All rates, taxes, duties, cess etc., that are allocable, or referable or related to the Financial Services Undertaking of the Demerged Company, including all or any refunds, interest due thereon, and all credits, refunds, interest and claims etc., relating thereto.*

(v) *All books, records, files, papers, information, databases, catalogues, quotations, advertising materials, lists of present and former credit, and all other books and records, whether in physical or electronic form, of the Financial Services Undertaking of the Demerged Company.*

(r) ***"Governmental Authority"*** *means any applicable central, state or local government, legislative body, regulatory or*

administrative authority, agency or commission or committee of any Court, Tribunal, board, bureau, instrumentality, judicial or quasi-judicial or arbitral body having jurisdiction over the territory of India, including inter-alia any authority constituted under, exercising any powers or functions in relation to the Transferor Companies, Demerged Company, Resulting Companies, SFVPL, and/or the Transferee Companies.

(s) ***"Group"*** *shall mean the Shriram Group of Companies.*

(t) ***"General Insurance Undertaking"*** *shall mean all the businesses, undertakings, activities, properties, assets and liabilities (including but not limited to, contingent liabilities, guarantees and indemnities), of whatsoever nature and kind and wheresoever situated, pertaining and/or relating to the Demerged Company's interest in the line of business involving General Insurance, and the Demerged Company's strategic investment in SGIC, and shall include specifically the following*

(i) its business, all secured and unsecured debts, liabilities, duties and obligations and all the assets, properties, rights, title and benefits, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed), all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, strategic investments (including its investment in SGIC), reserves, provisions, funds, licenses, registrations, accreditations to trade and industrial bodies, leases, licenses, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, Software Licenses, Domain / Websites etc., in connection with or relating to the General Insurance Undertaking and other claims and powers, of whatsoever nature and wheresoever situated, belonging to, or in the possession of, or granted in favour of, or enjoyed by the Demerged Company with respect to the General Insurance Undertaking, as on the Appointed Date.

(ii) all employees of/related to the General Insurance Undertaking as on the Effective Date and whose services are transferred to the Resulting Company 2 and contributions, if any, made towards any provident fund, employees state insurance, gratuity fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees, together with such of the investments made by these Funds, which are referable to such employees.

(iii) All legal [whether civil or criminal], taxation or other proceedings or investigations of whatsoever nature [including those before any Governmental Authority] that pertain to the General Insurance Undertaking of the Demerged Company, initiated by or against the Demerged Company with respect to the General Insurance Undertaking or proceedings or investigations to which the Demerged Company is a party which relate to the General Insurance Undertaking, including arbitration proceedings initiated by or against the Demerged Company with respect to the General Insurance Undertaking, whether pending as on the Appointed Date or which may be instituted any time after the Appointed Date, but before the Effective Date.

(iv) All rates, taxes, duties, cess etc., that are allocable, or referable or related to the General Insurance Undertaking, including all or any refunds, interest due thereon, and all credits, refunds, interest and claims etc., relating thereto.

(v) All books, records, files, papers, information, databases, catalogues, quotations, advertising materials, lists of present and former credit, and all other books and records, whether in physical or electronic form, of the General Insurance Undertaking.

(u) ***"IRDAI"*** *means the Insurance Regulatory and Development Authority of India established under Section 3 of the Insurance Regulatory and Development Authority Act, 1999;*

(v) ***"IRDAI Regulations"*** *shall mean the IRDAI (Transfer of Equity Shares of Insurance Companies) Regulations, 2015;*

(w) ***"Life Insurance Undertaking"*** *shall mean all the businesses, undertakings, activities, properties, assets and liabilities (including but not limited to, contingent liabilities, guarantees and indemnities), of whatsoever nature and kind and wheresoever situated, pertaining and/or relating to the Demerged Company's interest in the line of business involving*

Life Insurance, and the Demerged Company's strategic investment in SLIC, and shall include specifically the following

(i) its business, all secured and unsecured debts, liabilities, duties and obligations and all the assets, properties, rights, title and benefits, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed), all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, strategic investments (including its investment in SLIC), reserves, provisions, funds, licenses, registrations, accreditations to trade and industrial bodies, leases, licenses, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, receivables, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, Software Licenses, Domain / Websites etc., in connection with or relating to the Life Insurance Undertaking and other claims and powers, of whatsoever nature and wheresoever situated belonging to, or in the possession of, or granted in favour of, or enjoyed by Demerged Company with respect to the Life Insurance Undertaking, as on the Appointed Date.

(ii) all employees of/related to the Life Insurance Undertaking as on the Effective Date and whose services are transferred to the Resulting Company 1 and contributions, if any, made towards any provident fund, employees state insurance, gratuity fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees, together with such of the investments made by these Funds, which are referable to such employees.

(iii) All legal [whether civil or criminal], taxation or other proceedings or investigations of whatsoever nature [including those before any Governmental Authority] that pertain to the Life Insurance Undertaking of the Demerged Company, initiated by or against the Demerged Company with respect to the Life Insurance Undertaking or proceedings or investigations to which the Demerged Company is a party which relate to the Life Insurance Undertaking, including arbitration proceedings initiated by or against the Demerged Company with respect to the Life Insurance Undertaking, whether pending as on the Appointed Date or which may be instituted any time after the Appointed Date, but before the Effective Date.

(iv) All rates, taxes, duties, cess etc., that are allocable, or referable or related to the Life Insurance Undertaking, including all or any refunds, interest due thereon, and all credits, refunds, interest and claims etc., relating thereto.

(v) All books, records, files, papers, information, databases, catalogues, quotations, advertising materials, lists of present and former credit, and all other books and records, whether in physical or electronic form, of the Life Insurance undertaking.

(x) ***"Listed NCDs"*** *shall mean the non-convertible debentures issued by Transferor Company 3 and listed on the Stock Exchanges, the details of which are, as required in the SEBI Master Circular on Scheme of Arrangement by Listed Entities, fully set out in Annexure A to the Scheme.*

(y) ***"Record Date 1"*** *shall mean the date to be fixed by the Board of Directors of the Transferee Company 1 for the purpose of determining the shareholders of the Transferor Company 1 to whom equity shares of the Transferee Company 1 will be allotted in terms of Section I of Part III of the Scheme; and shall not be earlier than the Effective Date 1.*

(z) ***"Record Date(s) 2"*** *shall mean the date(s) to be fixed by the Board of Directors of the Resulting Companies 1, 2 and 3, and the Transferee Company 2 for the purpose of determining the shareholders of the Transferor Company 2, Demerged Company, and Transferor Company 3, to whom equity Shares and/or preference Shares will be allotted by the Resulting Companies 1, 2 and 3, and the Transferee Company 2, as may be applicable, and which date(s) shall not be earlier than the Effective Date 2.*

(aa) ***"Redeemable Preference Shares"*** *shall mean redeemable preference shares issued by the Transferor Company 2/ Demerged Company to the holders of such redeemable preference shares and which remain outstanding as on the Effective Date 2;*

(bb) ***"Remaining Undertaking"*** *shall mean all the remaining businesses, undertakings, activities, properties, assets and*

liabilities (including but not limited to, contingent liabilities, guarantees and indemnities), of whatsoever nature and kind and wheresoever situated, pertaining and/or relating to the Demerged Company, upon the completion and taking effect of the demerger of the Financial Services Undertaking, Life Insurance Undertaking and General Insurance Undertaking to the concerned Resulting Companies, in terms of this Scheme.

(cc) ***"Resulting Companies"*** *shall mean the Resulting Company 1, Resulting Company 2 and Resulting Company 3, collectively, as the context may so require.*

(dd) ***"Scheme"*** *or* ***"the Scheme"*** *or* ***"this Scheme"*** *means this Composite Scheme of Arrangement and Amalgamation in its present form or with any modification(s) approved or imposed or directed by the NCLT or any Governmental Authority/ regulatory authorities.*

(ee) ***"SEBI"*** *means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.*

(ff) ***"SEBI LODR Regulations"*** *shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.*

(gg) ***"SEBI Master Circular on Schemes of Listed Companies"*** *shall mean the master circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under sub-rule (7) of Rule 19 of the Securities Contracts (Regulation) Rules, 1957 issued by SEBI dated November 23, 2021, as amended from time to time.*

(hh) ***"Stock Exchanges"*** *means collectively the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE");*

(ii) ***"Transferee Companies"*** *means the Transferee Company 1 and Transferee Company 2, collectively, as the context may so require.*

(jj) ***"Transferor Companies"*** *means the Transferor Company 1, Transferor Company 2 & Transferor Company 3, collectively, as the context may so require;*

(kk) ***"Undertakings"*** *shall mean and include the whole of the business and undertakings of the Transferor Companies, as a going concern, including:*

(i) *their businesses, all secured and unsecured debts, liabilities (including but not limited to, contingent liabilities, guarantees and indemnities), duties and obligations and all the assets, properties, rights, title and benefits, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed), all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, strategic investments, reserves, provisions, funds, licenses, registrations, accreditations to trade and industrial bodies, leases, licenses, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements (including those entered into with the Stock Exchanges, and registrations with any concerned Governmental Authority, including but not limited to any licenses granted by the RBI), powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, receivables, deposits, funds, employee stock options and pension schemes, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, Software Licenses, Domain / Websites etc., in connection with or relating to the Transferor Companies and other claims and powers, of whatsoever nature and wheresoever situated, belonging to, or in the possession of, or granted in favour of, or enjoyed by the Transferor Companies, as on the Appointed Date.*

(ii) *all employees of the Transferor Companies engaged in or in relation to the Transferor Companies as on the Effective Date and whose services are transferred to the Transferee Companies and contributions, if any, made towards any provident fund, life insurance premiums (and associated benefits), general insurance premiums (and associated benefits) employees state insurance, gratuity fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees, together with such of the investments made by these Funds, which are referable to such employees.*

(iii) *All legal [whether civil or criminal], taxation or other proceedings or investigations of whatsoever nature [including those before any Governmental Authority] that pertain to any of the Transferor Companies, initiated by or against*

the Transferor Companies or proceedings or investigations to which any of the Transferor Companies are party, including arbitration proceedings with respect to the subscribers of the respective Transferor Companies, whether pending as on the Appointed Date or which may be instituted any time after the Appointed Date, but before the Effective Date.

(iv) The existing offices or places of business, of the Transferor Companies in various States, along with all the necessary approvals already obtained from the concerned Governmental Authorities, including the Registrar of Companies having jurisdiction, for the purpose of carrying on business.

(v) All rates, taxes, duties, cess etc., that are allocable, or referable or related to the Transferor Companies, including all or any refunds, interest due thereon, and all credits, refunds, interest and claims etc., relating thereto.

(vi) All books, records, files, papers, information, databases, catalogues, quotations, advertising materials, lists of present and former credit, and all other books and records, whether in physical or electronic form, of the Transferor Companies.

23. The relevant parts of the Scheme are extracted as follows:

The Scheme is divided into the following parts:

- ***Part I*** *– Definitions & Interpretation*
- ***Part II*** *– Capital Structure*
- ***Part III*** *–*

  Section I - *Amalgamation of the Transferor Company 1 with Transferee Company 1, issue of shares of Transferee Company 1 to the shareholders of Transferor Company 1; the consequential cancellation of the equity shares held by Transferor Company 1 in SFVPL;*

  Section II - *Demerger of the Financial Services Undertaking (defined hereinafter) of the Demerged Company into Resulting Company 3, the consequential cancellation of the redeemable preference share capital of the Demerged Company, and the issue of shares of the Resulting Company 3 to the shareholders of the Demerged Company;*

  Section III – *Demerger of the Life Insurance Undertaking and General Insurance Undertaking (defined hereinafter) of the Demerged Company into Resulting Company 1 and Resulting Company 2 respectively, and the issue of shares of the Resulting Companies 1 and 2 to the shareholders of the Demerged Company;*

  Section IV – *Amalgamation of the Transferor Company 2 with Transferee Company 2, and issue of shares of the Transferee Company 2 to the shareholders of the Transferor Company 2.*

  Section V - *Amalgamation of the Transferor Company 3 with Transferee Company 2, and the issue of shares of the Transferee Company 2 to the shareholders of the Transferor Company 3.*

  Section VI – *Allotment of shares on account of increase in Transferor Company 2 shareholding.*
- ***Part IV*** *– Increase in the Authorized Capital of the Transferee Company 2 and the Resulting Companies*
- ***Part V*** *– General Terms & Conditions*

Each Section of Part III of this Scheme shall be deemed to have taken effect as specifically provided for, and in the sequence set out, in the Scheme.

Section I of Part III of the Scheme will take effect on the Effective Date 1, but with effect from the Appointed Date. The remaining parts of Part III of the Scheme, and Part IV of the Scheme will take effect on the Effective Date 2, but with effect from the Appointed Date, such that on the Appointed Date, Section I of Part III of the Scheme will take effect first, followed by the remaining parts of Part III of the Scheme, and Part IV of the Scheme.

Provided however that if any Part of the Scheme as sanctioned, cannot be given effect to or implemented, then no other Part of the Scheme will be deemed to have become effective.

24. The salient features of the Scheme which involves the Transferee Company 2 are extracted as hereunder:

PART III - SECTION IV

AMALGAMATION OF TRANSFEROR COMPANY 2 WITH TRANSFEREE COMPANY 2

3.26 Upon the coming into effect of this Scheme, and with effect from the Appointed Date, and following the amalgamation of the Transferor Company 1 with Transferee Company 1, and the demerger & vesting of the Financial Services Undertaking, Life Insurance Undertaking and General Insurance Undertaking with the respective Resulting Companies, the Transferor Company 2 with its Remaining Undertaking shall, together with all of its movable assets, immovable properties, investments, licenses, benefits, entitlements, incentives, concessions, contracts, intellectual property, employees, proceedings, rates, duties, cess, books & records as also the liabilities, shall subject to the provisions of Clause 3.27 hereof in relation to the mode of vesting, without any further act or deed, in accordance with Sections 230 to 232 of the Act and all other applicable provisions of law, be transferred to and vested in and shall be deemed to have been transferred to and vested in the Transferee Company 2, as a going concern.

3.27 Without prejudice to the generality of the foregoing paragraph, upon the Scheme becoming effective, on and from the Appointed Date:

MOVABLE ASSETS, IMMOVABLE PROPERTIES & INVESTMENTS

3.27.1 In respect of such assets of the Transferor Company 2 which are moveable in nature or are otherwise capable of transfer by delivery of possession, payment or by endorsement and delivery, the same shall be transferred to and vested in Transferee Company 2 and shall become the property of the Transferee Company 2. The vesting pursuant to this paragraph shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and the title to the property shall be deemed to have been transferred accordingly, without requiring execution of any deed or instrument of conveyance for the same.

3.27.2 In respect of such assets of the Transferor Company 2, which are or represent Investments registered and/or held in any form by or beneficial interest wherein is owned by the Transferor Company 2, the same shall stand transferred/transmitted to and vested in the Transferee Company 2, together with all rights, benefits, and interest therein or attached thereto, without any further act or deed, and thereupon the Transferor Company 2 shall cease to be the registered and/or the beneficial owner of such investments. The Transferor Company 2 shall be deemed to be holding such investments for and on behalf of and in trust for and for the benefit of the Transferee Company 2, and all profits or dividends and other rights or benefits accruing/paid/ distributed on such investments and all taxes thereon, or losses 56 arising or expenses incurred relating to such investments, shall, for all intent and purposes, be treated as the profits, dividends, rights, benefits, taxes, losses, or expenses, as the case may be, of the Transferee Company 2.

3.27.3 In respect of such of the moveable assets belonging to the Transferor Company 2, other than those specified in Clauses 3.27.1 and 3.27.2 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances and deposits, if any, the same shall [notwithstanding whether there is any specific provision for transfer of credits, assets or refunds under any Applicable Law, wherever applicable], without any further act, instrument or deed by the Transferor Company 2 or the Transferee Company 2 or the need for any endorsements, stand transferred from the Transferor Company 2, to and in favour of the Transferee Company 2. Any security, lien, encumbrance, or charge created over any assets in relation to the loans, debentures or borrowings or any other dues of the Transferor Company 2, shall, without any further act or deed, stand transferred to the benefit of the Transferee Company 2, which will have all the rights of the Transferor Company 2 to enforce such security, lien, encumbrance or charge, by virtue of this Scheme.

3.27.4 All immovable properties of the Transferor Company 2 [i.e. land together with the buildings and structures standing thereon or under construction, whether freehold, leasehold, leave and licensed or otherwise], including any tenancies in relation to office space, guest houses and residential premises including those provided to/occupied by the employees and all documents of title, rights and easements in relation thereto and all plant and machineries constructed or embedded or attached to any such immovable properties and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties, shall stand transferred to and vested in the Transferee Company 2, without any further act or deed done/executed or being required to be done/executed by the Transferor Company 2 or the Transferee Company 2. The Transferee Company 2 shall be entitled to exercise and enjoy all rights and privileges attached to the immovable properties and shall be liable to pay the ground rent and taxes and fulfill all obligations and be entitled to all rights in relation to or as applicable to such immovable properties.

LICENSES

3.27.5 All licenses relating to the Transferor Company 2 shall stand transferred to and vested in the Transferee Company 2,

without any further act or deed by the Transferor Company 2 or the Transferee Company 2, and be in full force and effect in favour of the Transferee Company 2, as if the same, were originally given to, issued to or executed in favour of the Transferee Company 2, and the Transferee Company 2 shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company 2.

3.27.6 Any and all approvals obtained by the Transferor Company 2 for the purpose of carrying on its business, shall inure to the benefit of the Transferee Company 2, subject to Applicable Laws, and the Transferee Company 2 shall be entitled to continue these operations from these various locations, without having to obtain any further approvals, or undertake any further processes, under any Applicable Law.

BENEFITS, ENTITLEMENTS, INCENTIVES AND CONCESSION

3.27.7 All benefits, entitlements, incentives and concessions under incentive schemes and policies that the Transferor Company 2 is entitled to, including under service tax, Goods and Services Tax (including the Integrated Goods and Services Tax input tax credit, Central Goods and Services Tax input tax credit and State Goods and Services Tax input tax credit), VAT, sales tax and income tax laws, shall to the extent statutorily available and along with associated obligations, stand transferred to and vested in and be available to the Transferee Company 2, as if the Transferee Company 2 was originally entitled to all such benefits, entitlements, incentives and concessions. All cheques (including post-dated cheques, subject to complying with procedural requirements under Applicable Law, if any) and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company 2, shall on and from the Effective Date stand transferred to, and without any further, act or deed, be treated as having been issued to or by the Transferee Company 2, and shall be accepted by the bankers of the Transferee Company 2 and credited to the account of the Transferee Company 2. All legal rights in relation to such cheques and negotiable instruments shall stand vested in the Transferee Company 2. Any standing instructions concerning payment obligations, or ENACH forms signed by the Transferor Company 2 shall be deemed to have been issued or signed by the Transferee Company 2, and the concerned authority to whom such instructions have been provided or forms signed shall accept the same.

CONTRACTS

3.27.8 All contracts of the Transferor Company 2, including without limitation documents & agreements relating to creation of security, subsisting or having effect immediately before the Effective Date, with respect to such Transferor Company 2, shall stand transferred to and vested in the Transferee Company 2 and be in full force and effect in favour of the Transferee Company 2 and may be enforced by or against it as fully and effectually as if, instead of the Transferor Company 2 (as the case may be), the Transferee Company 2 had been a party or beneficiary thereto.

3.27.9 All guarantees provided by any bank in favour of the Transferor Company 2, outstanding as on the Effective Date, shall vest in the Transferee Company 2 and shall ensure to the benefit of the Transferee Company 2 and all guarantees issued by the bankers of the Transferor Company 2, favouring any third party shall be deemed to have been issued at the request of the Transferee Company 2 and continue in favour of such third party till their maturity or earlier termination.

3.27.10 It shall not be necessary to obtain the consent of any third party or other person, who is a party to any such contract or arrangement to give effect to the provisions of this paragraph.

EMPLOYEES

3.27.11 All the employees in the service of the Transferor Company 2, shall be deemed to have become the employees of the Transferee Company 2, with effect from the Appointed Date, and shall stand transferred to the Transferee Company 2, without any interruption of service and on terms and conditions no less favourable than those on which they are engaged by the Transferor Company 2 as on the Effective Date, including in relation to the level of remuneration and contractual and statutory benefit, incentive plans, employee stock options and pension schemes, terminal benefits, gratuity plans, provident plans, and any other retirement benefits.

3.27.12 In the event of retrenchment of such employees, the Transferee Company 2 shall be liable to pay compensation in accordance with law on the basis that the services of the employees shall have been continuous and shall not have been interrupted by reason of such transfer; and

3.27.13 It is provided that as far as the Provident Fund, Gratuity, Pension, Superannuation Fund or any other special funds that are applicable to the employees of the Transferee Company 2 and existing in the Transferee Company 2 for the benefit of the employees of the Transferee Company 2, the same shall also be extended to the employees of the Transferor Company 2 upon the Scheme becoming finally effective.

3.27.14 All contributions made by the Transferor Company 2, on behalf of its employees, and all contributions made by the

employees including the interest arising thereon, to the funds standing to the credit of such employees' account with such funds, shall, upon this Scheme becoming effective, be transferred to the funds maintained by the Transferee Company 2, along with such of the investments made by such funds which are referable and allocable to the employees and the Transferee Company 2 shall stand substituted for the Transferor Company 2 with regard to its obligations to make the said contributions.

3.27.15 In relation to those employees for whom the Transferor Company 2 is making contributions to the Government provident fund, the Transferee Company 2 shall stand substituted in its place, for all purposes, including in relation to the obligation to make contributions to such funds in accordance with the provisions of such funds, bye-laws etc., in respect of the employees.

3.27.16 The Transferee Company 2 shall continue to abide by the agreement(s) and settlement(s) entered into with the employees of the Transferor Company 2, if any, in terms of such agreement(s) and settlement(s) subsisting on the Effective Date, in relation to the employees.

PROCEEDINGS

3.27.17 With effect from the Appointed Date and upon the Scheme becoming effective, all suits, actions and proceedings of whatsoever nature by or against the Transferor Company 2, shall, on the Effective Date, be continued and enforced by or against the Transferee Company 2.

3.27.18 Upon the Scheme becoming effective the name of the Transferor Company 2 shall stand substituted by the name of the Transferee Company 2 in any pending dispute or arbitral proceedings, and the Transferee Company 2 shall be entitled to continue the proceedings, in its name, from the stage at which the proceedings stand, as on the Effective Date.

3.27.19 The Transferee Company 2 undertakes to have all legal or other proceedings initiated by or against the Transferor Company 2 in respect of matters referred above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company 2 to the exclusion of the Transferor Company 2.

LIABILITIES, DEBTS, OBLIGATIONS & SECURITY

3.27.20 With effect from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description relatable to the Transferor Company 2 shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company 2, so as to become from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company 2 and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.

3.27.21 Where any of the liabilities and obligations/assets attributed to the Transferor Company 2 on the Appointed Date have been discharged/ sold by the Transferor Company 2 after the Appointed Date and prior to the Effective Date, such discharge/ sale shall be deemed to have been for and on behalf of the Transferee Company 2.

3.27.22 Any payment or discharge of any liabilities, debts or obligations pertaining to the Transferor Company 2 by the Transferee Company 2 shall be deemed to have been made for and on behalf of the Transferor Company 2, and shall constitute a valid discharge.

3.27.23 This Scheme shall not operate to enlarge or extend the security for any of the liabilities of the Transferor Company 2 and the Transferee Company 2 shall not be obliged to create any further or additional security therefor, after the Effective Date, unless otherwise agreed to by the Transferee Company 2.

3.27.24 In so far as the existing security in respect of the Liabilities is concerned, such security shall, without any further act, instrument or deed be modified and shall be extended to, and shall operate only over the assets of the Transferor Company 2 which have been charged and secured, and subsisting as on the Effective Date, in respect of the Liabilities. Provided that if any of the assets of the Transferor Company 2 have not been charged or secured in respect of the Liabilities, such assets shall remain unencumbered and the existing security referred to above shall not be extended to, and shall not operate over such assets.

TAX TREATMENT

3.27.25 All taxes, rates, duties, fees, cess etc., that are allocable, referable or related to the Transferor Company 2, payable, whether due or not, from the Appointed Date, including all advance tax payments, tax deducted at source, tax liabilities, tax obligations or any refunds, credits and claims shall, for all intent and purposes, be treated as the liability, obligations or refunds,

credit and claims, as the case may be, of the Transferee Company 2.

3.27.26 Further, it will be deemed that the benefit of any tax credits whether central, state or local, availed by the Transferor Company 2, and the obligations, if any, for payment of taxes on any assets etc. shall be deemed to have been availed by Transferee Company 2.

3.27.27 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess receivable/payable by the Transferor Company 2, including all or any refunds/credit/claims/tax losses /unabsorbed depreciation relating thereto shall be treated as the asset/liability or refunds/credit/claims/tax losses /unabsorbed depreciation, as the case may be, of the Transferee Company 2.

3.27.28 The Transferee Company 2 is expressly permitted to revise its tax returns, electronically or physically after taking credit for taxes paid including tax deducted at source (TDS) certificates/ returns, wealth tax returns, service tax, excise duty, sales tax, value added tax, GST, entry tax, cess, professional tax or any other statutory returns, if required, and shall be entitled to claim credit for advance tax paid, claim for sum(s) prescribed under Section 43B of the Income Tax Act, 1961 on payment basis, claim for deduction of provisions written back by Transferee Company 2 previously disallowed in the hands of Transferor Company 2 under the Income Tax Act, 1961 credit of tax under section 115JB read with section 115JAA of the Income Tax Act, 1961 credit of foreign tax paid/withheld, if any, pertaining to Transferor Company 2, consequent to implementation of this Scheme and where necessary to give effect to this Scheme, even if the prescribed time limit for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum to claim refunds, advance tax credits, excise and service tax credits, set off, etc., on the basis of the accounts of the Transferor Company 2 upon the coming into effect of this Scheme.

3.27.29 It is further clarified that the Transferee Company 2 shall have the right to claim refunds, tax credits, set-offs and/or adjustments relating to the income or transactions it has entered into, by virtue of this Scheme with effect from the Appointed Date. The taxes or duties paid by, for, or on behalf of the Transferor Company 2, relating to the period on or after Appointed Date, shall be deemed to be the taxes or duties paid by the Transferee Company 2, which shall be entitled to claim credit or refund for such taxes or duties.

BOOKS AND RECORDS

3.27.30 All books, records, files, papers, catalogues, quotations, advertising materials, if any, lists of present and former clients, subscribers, and all other books and records, whether in physical or electronic form, of the Transferor Company 2, to the extent possible and permitted under Applicable Laws, be handed over by them to the Transferee Company 2.

CONDUCT OF BUSINESS TILL THE EFFECTIVE DATE

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

(a) The Transferor Company 2 shall both carry on, and be deemed to have been carrying on, all business activities and shall hold and stand possessed, and shall be deemed to have held and possessed, of all the assets, rights, title, interest, authorities, contracts, investments, decisions for and on account of, and in trust for, the Transferee Company 2.

(b) All profits or income or taxes, including but not limited to income tax, fringe benefit tax, advance taxes, tax deducted at source by or on behalf of the Transferor Company 2, minimum alternate tax credit, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, wealth tax, sales tax, value added tax, excise duty, service tax, Goods and Services Tax, customs duty, refund, reliefs, etc., accruing or arising to the Transferor Company 2, or losses arising or expenditure incurred by it, on and from Appointed Date upto the Effective Date, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure or the taxes of the Transferee Company 2.

(c) The Transferor Company 2 shall carry on its business activities with proper prudence and diligence and shall not, without prior written consent of the Transferee Company 2, alienate, charge or otherwise deal with or dispose off its business Undertaking(s) or any part thereof (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Company 2 prior to the Appointed Date).

(d) The Transferor Company 2 shall be permitted to make modification to its capital structure, either by an increase (by issue of rights shares, bonus shares, convertible debentures or otherwise), decrease, reclassification, sub-division or reorganisation or in any other manner, whatsoever, in the normal course of business or in pursuance of this Scheme, without having to seek the explicit consent of the Board of Directors of the Transferee Company 2.

(e) The Transferor Company 2 shall not vary, except in the ordinary course of business, the terms and conditions of

employment of its employees without the consent of the Board of Directors of the Transferee Company 2, and any promotions, increments etc provided to employees shall be as per standard business practices employed in the normal course of business by Transferor Company 2.

(f) All assets acquired, leased or licensed, benefits, entitlements, incentives and concessions granted, contracts entered into, liabilities incurred and proceedings initiated or made party to, between the Appointed Date and the Effective Date by the Transferor Company 2 shall be deemed to be transferred to and vested in the Transferee Company 2. For avoidance of doubt, where any of the Liabilities as on the Appointed Date [deemed to have been transferred to the Transferee Company 2] have been discharged by the Transferor Company 2, on or after the Appointed Date, but before the Effective Date, such discharge shall be deemed to have been for and on behalf of the Transferee Company 2 for all intent and purposes and under Applicable Laws.

(g) With effect from the Effective Date, the Transferee Company 2 shall carry on and shall be authorized to carry on the businesses of the Transferor Company 2, and till such time as the name of the account holder in the bank accounts of the Transferor Company 2, are substituted by the bank in the name of the Transferee Company 2, the Transferee Company 2 shall be entitled to operate such bank accounts of the Transferor Company 2, in its name, in so far as may be necessary.

(h) To the extent possible, pending sanction of this Scheme, the Transferor Company 2, or the Transferee Company 2 shall be entitled to apply to the relevant Governmental Authorities and other third parties, concerned, as may be necessary under any law or contract for transfer or modification of such consents, approvals and sanctions which the Transferee Company 2 may require to own and carry on the businesses of the Transferor Company 2, with effect from the Effective Date and subject to this Scheme being sanctioned.

(i) For the purpose of giving effect to the order passed under Sections 230 to 232 of the Act, in respect of this Scheme, by the NCLT, the Transferor Company 2 shall, upon the Scheme becoming effective, be entitled to get the record of the change in the legal right(s) standing in the names of the Transferor Company 2, in its favour in accordance with such order and the provisions of the Act, and any Applicable Laws.

(j) The Transferor Company 2 shall declare or pay any dividends, as per its usual practice, and in accordance with the applicable provisions of the Companies Act, 2013, whether interim or final, to its respective equity shareholders in respect of the accounting period prior to the Appointed Date, and between the Appointed Date and Effective Date (subject to Applicable Law), without requiring any prior approval from the Board of Directors of Transferee Company 2. Nothing contained in this Scheme shall be deemed to affect the right and power of the Transferor Company 2 to declare dividends as per the applicable provisions of the Companies Act, 2013.

3.28 CONSIDERATION

3.28.1 Upon coming into effect of this Scheme and in consideration for the amalgamation of the Transferor Company 2 along with its Remaining Undertaking into the Transferee Company 2, in terms of this Scheme, the shareholders of the Transferor Company 2, whose names are reflected in the Register of Members of the Transferor Company 2 as on the Record Date 2 (which will also include the shareholders of Transferor Company 1, who have been allotted shares of the Transferee Company 1/ Demerged Company, in terms of Part III – Section I of the Scheme), will be entitled to be allotted shares in the following manner: For every 10,00,00,000 (Ten Crore) fully paid equity shares of Re. 1 [One] each, held in the Transferor Company 2, the shareholders of the Transferor Company 2 will be entitled to 97,83,305 (Ninety Seven Lakhs Eighty Three Thousand Three Hundred and Five) fully paid equity shares of ₹ 10 [Ten] each of the Transferee Company 2.

3.28.2 The equity shares to be issued and allotted under Part III – Section IV of the Scheme by the Transferee Company 2 shall be subject to its Memorandum of Association and Articles of Association. The equity shares issued by the Transferee Company 2 shall rank pari passu in all respects, including dividends, voting and other rights, with its existing equity shares. The Board of Directors of the Transferee Company 2, shall, if and to the extent required, apply for and obtain any approvals from concerned Government / Regulatory authorities for the issue and allotment of equity shares pursuant to this Scheme. The approval of this Scheme by the shareholders of all the concerned companies under Sections 230 to 232 of the Act, shall be deemed to constitute the approvals as may be required under any other applicable provisions of the Act and any other consents and approvals required in this regard.

3.29 ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY 2

3.29.1 Upon effectiveness of the Scheme and with effect from the Appointed Date, the amalgamation will be accounted in accordance with the "acquisition method" prescribed under the Indian Accounting Standard – 103 Business Combinations as

notified under Section 133 of the Act, read together with Paragraph 3 of the Companies (Indian Accounting Standard) Rules, 2015.

3.29.2 The Transferee Company 2 shall recognise separately from goodwill; the identifiable assets acquired, and the liabilities assumed, including such assets and liabilities that the Transferor Company 2 had not previously recognised in its financial statements.

3.29.3 The Transferee Company 2 shall measure the identifiable assets and liabilities acquired and account for the same at their fair values determined as on the Appointed Date.

3.29.4 The Transferee Company 2 shall record the equity shares issued and allotted as consideration at fair value as on the Appointed Date. The total face value of the equity shares on such issue shall be added to the share capital account and the balance shall be added to the securities premium account.

3.29.5 The investment in Transferee Company 2 held by Transferor Company 2 would get cancelled with a corresponding reduction in the Equity Share capital of the Transferee Company 2. The difference between the fair value of such investment recognised as per the "acquisition method" and the face value of shares cancelled by the Transferee Company 2 shall be reduced from the securities premium account of the Transferee Company 2.

3.30. AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF TRANSFEREE COMPANY 2:

Upon the coming into effect of this Scheme, the following main object shall as part and parcel of this Scheme stand added after Clause 13 of Clause III of the Memorandum of Association of Transferee Company 2 (relating to the objects for which the company has been established), pursuant to Section 13 of the Act and the Memorandum of Association of Transferee Company 2 shall, without any further act or deed, stand amended as follows:

14. To engage in the business of investment promotion including facilitating Strategic Investor/ Private Equity investor / third parties to invest in promoted entities, to form, promote any Company or Companies, whether Indian or foreign, having amongst its or their objects the acquisition of all or any of the assets or control or development of the Company, which could or might directly or indirectly assist the Company in the management of its business or the development of its properties and to pay all or any of the costs and expenses in connection with any such promotion or incorporation and to remunerate any person or Company in any matter it shall think fit for services rendered or to be rendered in obtaining subscriptions for or guaranteeing the subscription of or placing of any shares in the capital of the Company or any bonds, debentures, obligations or securities of the Company .

15. To carry on the business of Portfolio managers in syndicates in software and in shares, debentures, stocks or any other money market instruments.

3.31 CANCELLATION OF TRANSFEROR COMPANY 2'S EQUITY SHAREHOLDING IN TRANSFEREE COMPANY 2

On the Scheme becoming effective, the entire shareholding of the Transferor Company 2 held in the Transferee Company 2 shall stand cancelled, and no separate sanction of the NCLT in this regard shall be required.

3.32 SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the Transferor Company 2 with and into the Transferee Company 2 under Part III of this Scheme, shall not affect any transaction or proceedings already completed or liabilities incurred by the Transferor Company 2, either prior to, or on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company 2 shall accept and adopt all acts, deeds and things done and executed by or on behalf of the Transferor Company 2, in respect thereto as acts, deeds and things done and executed by and on behalf of itself.

3.33 DISSOLUTION OF THE TRANSFEROR COMPANY 2

Subject to an order being made by the NCLT under Sections 230 to 232 of the Act, the Transferor Company 2 shall stand dissolved without the process of winding up on the Scheme becoming effective in accordance with the provisions of the Act and the Rules made thereunder

PART - III

SECTION - V

AMALGAMATION OF TRANSFEROR COMPANY 3 WITH TRANSFEREE COMPANY 2

3.34 Upon the coming into effect of this Scheme, and with effect from the Appointed Date, Transferor Company 3, shall, together with all of its movable assets, immovable properties, investments, licenses, benefits, entitlements, incentives, concessions, contracts, intellectual property, employees, proceedings, rates, duties, cess, books & records as also the liabilities, shall subject to the provisions of Clause 3.35 hereof in relation to the mode of vesting, without any further act or deed, in accordance with Sections 230 to 232 of the Act and all other applicable provisions of law, be transferred to and vested in and shall be deemed to have been transferred to and vested in the Transferee Company 2, as a going concern.

3.35 Without prejudice to the generality of the foregoing paragraph, upon the Scheme becoming effective, on and from the Appointed Date:

MOVABLE ASSETS, IMMOVABLE PROPERTIES & INVESTMENTS

3.35.1 In respect of such assets of the Transferor Company 3, which are moveable in nature or are otherwise capable of transfer by delivery of possession, payment or by endorsement and delivery, the same shall be transferred to and vested in Transferee Company 2 and shall become the property of the Transferee Company 2. The vesting pursuant to this paragraph shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and the title to the property shall be deemed to have been transferred accordingly, without requiring execution of any deed or instrument of conveyance for the same.

3.35.2 In respect of such assets of the Transferor Company 3, which are or represent Investments registered and/or held in any form by or beneficial interest by it, the same shall stand transferred/transmitted to and vested in the Transferee Company 2, together with all rights, benefits, and interest therein or attached thereto, without any further act or deed, and thereupon the Transferor Company 3 shall cease to be the registered and/or the beneficial owner of such investments. The Transferor Company 3 shall be deemed to be holding such investments for and on behalf of and in trust for and for the benefit of the Transferee Company 2 and all profits or dividends and other rights or benefits accruing/paid/distributed on such investments and all taxes thereon, or losses arising or expenses incurred relating to such investments, shall, for all intent and purposes, be treated as the profits, dividends, rights, benefits, taxes, losses, or expenses, as the case may be, of the Transferee Company 2.

3.35.3 In respect of such of the moveable assets belonging to the Transferor Company 3, other than those specified in Clauses 3.35.1 and 3.35.2 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances and deposits, if any, the same shall [notwithstanding whether there is any specific provision for transfer of credits, assets or refunds under any Applicable Law, wherever applicable], without any further act, instrument or deed by the Transferor Company 3 or the Transferee Company 2 or the need for any endorsements, stand transferred from the Transferor Company 3, to and in favour of the Transferee Company 2. Any security, lien, encumbrance, or charge created over any assets in relation to the loans, debentures or borrowings or any other dues of the Transferor Company 3, shall, without any further act or deed, stand transferred to the benefit of the Transferee Company 2, which will have all the rights of Transferor Company 3 to enforce such security, lien, encumbrance or charge, by virtue of this Scheme.

3.35.4 All immovable properties of the Transferor Company 3 [i.e. land together with the buildings and structures standing thereon or under construction, whether freehold, leasehold, leave and licensed or otherwise], including any tenancies in relation to office space, guest houses and residential premises including those provided to/occupied by the employees and all documents of title, rights and easements in relation thereto and all plant and machineries constructed or embedded or attached to any such immovable properties and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties, shall stand transferred to and vested in the Transferee Company 2, without any further act or deed done/executed or being required to be done/executed by the Transferee Company 2, or Transferor Company 3. The Transferee Company 2 shall be entitled to exercise and enjoy all rights and privileges attached to the immovable properties and shall be liable to pay the ground rent and taxes and fulfill all obligations and be entitled to all rights in relation to or as applicable to such immovable properties.

LICENSES

3.35.5 All licenses relating to the Transferor Company 3 shall stand transferred to and vested in the Transferee Company 2, without any further act or deed by the Transferor Company 3, or the Transferee Company 2, and be in full force and effect in favour of the Transferee Company 2, as if the same, were originally given to, issued to or executed in favour of the Transferee Company 2, and the Transferee Company 2 shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company 2.

3.35.6 Any and all approvals obtained by the Transferor Company 3 for the purpose of carrying on its businesses, shall inure

to the benefit of the Transferee Company 2, subject to Applicable Laws, and the Transferee Company 2 shall be entitled to continue these operations from these various locations, without having to obtain any further approvals, or undertake any further processes, under any Applicable Law.

BENEFITS, ENTITLEMENTS, INCENTIVES AND CONCESSION

3.35.7 All benefits, entitlements, incentives and concessions under incentive schemes and policies that the Transferor Company 3 are entitled to, including under service tax, Goods and Services Tax (including the Integrated Goods and Services Tax input tax credit, Central Goods and Services Tax input tax credit and State Goods and Services Tax input tax credit), VAT, sales tax and income tax laws, shall to the extent statutorily available and along with associated obligations, stand transferred to and vested in and be available to the Transferee Company 2, as if the Transferee Company 2 was originally entitled to all such benefits, entitlements, incentives and concessions. All cheques (including post-dated cheques, subject to complying with procedural requirements under Applicable Law, if any) and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company 3, shall on and from the Effective Date stand transferred to, and without any further, act or deed, be treated as having been issued to or by the Transferee Company 2, and shall be accepted by the bankers of the Transferee Company 2 and credited to the account of the Transferee Company 2. All legal rights in relation to such cheques and negotiable instruments shall stand vested in the Transferee Company 2. Any standing instructions concerning payment obligations, or ENACH forms signed by the Transferor Company 3 shall be deemed to have been issued or signed by the Transferee Company 2, and the concerned authority to whom such instructions have been provided or forms signed shall accept the same.

CONTRACTS

3.35.8 All contracts of the Transferor Company 3, including without limitation documents & agreements relating to creation of security, subsisting or having effect immediately before the Effective Date, with respect to the Transferor Company 3, shall stand transferred to and vested in the Transferee Company 2 and be in full force and effect in favour of the Transferee Company 2 and may be enforced by or against it as fully and effectually as if, instead of Transferor Company 3, the Transferee Company 2 had been a party or beneficiary thereto.

3.35.9All guarantees provided by any bank in favour of the Transferor Company 3, outstanding as on the Effective Date, shall vest in the Transferee Company 2 and shall ensure to the benefit of the Transferee Company 2 and all guarantees issued by the bankers of the Transferor Company 3, favouring any third party shall be deemed to have been issued at the request of the Transferee Company 2 and continue in favour of such third party till their maturity or earlier termination.

3.35.10 It shall not be necessary to obtain the consent of any third party or other person, who is a party to any such contract or arrangement to give effect to the provisions of this paragraph.

EMPLOYEES:

3.35.11 All the employees in the service of the Transferor Company 3, shall be deemed to have become the employees of the Transferee Company 2, with effect from the Appointed Date, and shall stand transferred to the Transferee Company 2, without any interruption of service and on terms and conditions no less favourable than those on which they are engaged by the Transferor Company 3 as on the Effective Date, including in relation to the level of remuneration and contractual and statutory benefit, incentive plans, terminal benefits, employee stock options and pension schemes, gratuity plans, provident plans, and any other retirement benefits.

3.35.12 In the event of retrenchment of such employees, the Transferee Company 2 shall be liable to pay compensation in accordance with law on the basis that the services of the employees shall have been continuous and shall not have been interrupted by reason of such transfer; and

3.35.13 It is provided that as far as the Provident Fund, Gratuity, Pension, Superannuation Fund or any other special funds that are applicable to the employees of the Transferee Company 2 and existing in the Transferee Company 2 for the benefit of the employees of the Transferee Company 2, the same shall also be extended to the employees of the Transferor Company 3.

3.35.14 All contributions made by any of the Transferor Company 3, on behalf of its employees, and all contributions made by the employees including the interest arising thereon, to the funds standing to the credit of such employees' account with such funds, shall, upon this Scheme becoming effective, be transferred to the funds maintained by the Transferee Company 2, along with such of the investments made by such funds which are referable and allocable to the employees and the Transferee

Company 2 shall stand substituted for the Transferor Company 3 with regard to its obligations to make the said contributions.

3.35.15 In relation to those employees for whom Transferor Company 3 is making contributions to the Government provident fund, the Transferee Company 2 shall stand substituted in its place, for all purposes, including in relation to the obligation to make contributions to such funds in accordance with the provisions of such funds, bye-laws etc., in respect of the employees.

3.35.16 The Transferee Company 2 shall continue to abide by the agreement(s) and settlement(s) entered into with the employees of the Transferor Company 3, if any, in terms of such agreement(s) and settlement(s) subsisting on the Effective Date, in relation to the employees.

EMPLOYEE STOCK OPTION PLAN

3.35.17 In respect of stock options granted by the Transferor Company 3 under the ESOP 1 plans, upon the effectiveness of the Scheme, the Transferee Company 2 shall issue stock options to the employees who are eligible under ESOP 1, taking into account the share exchange ratio as provided for in this Scheme. Such stock options may be issued by the Transferee Company 2 either under its existing ESOP 2 plans or under a revised stock option plan that may be created by the Transferee Company 2. Upon the issue of such stock options by the Transferee Company 2, any and all stock options under ESOP 1 shall automatically be deemed to have lapsed.

3.35.18 The grant of options to the eligible employees pursuant to Clause 3.35.17 of this Scheme shall be effected as an integral part of the Scheme and the consent of the shareholders of the Transferee Company 2 to this Scheme shall be deemed to be their consent in relation to all matters pertaining there to. No further approval of the shareholders of the Transferee Company 2 would be required in this connection under Applicable Law.

3.35.19 It is hereby clarified that in relation to the options granted by the Transferee Company 2 to the eligible employees, the period during which the options granted by the Transferor Company 3 were held by or deemed to have been held by the eligible employees shall be taken into account for determining the minimum vesting period required under Applicable Law or agreement or deed for such stock options.

3.35.20 The Board of Directors of the Transferee Company 2 or any of the committee(s) thereof, including the compensation committee, if any, shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this clause of the Scheme.

PROCEEDINGS

3.35.21 With effect from the Appointed Date and upon the Scheme becoming effective, all suits, actions and proceedings of whatsoever nature by or against the Transferor Company 3, shall, on the Effective Date, be continued and enforced by or against the Transferee Company 2.

3.35.22 Upon the Scheme becoming effective the name of the Transferor Company 3, shall stand substituted by the name of the Transferee Company 2 in any pending dispute or arbitral proceedings, and the Transferee Company 2 shall be entitled to continue the proceedings, in its name, from the stage at which the proceedings stand, as on the Effective Date.

3.35.23 The Transferee Company 2 undertakes to have all legal or other proceedings initiated by or against the Transferor Company 3, in respect of matters referred above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company 2 to the exclusion of the Transferor Company 3.

LIABILITIES, DEBTS, OBLIGATIONS & SECURITY:

With effect from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description relatable to the Transferor Company 3 shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company 2, so as to become from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company 2 and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause. With respect to the Transferor Company 3, the aforesaid term 'liabilities' shall also include the non-convertible debentures, issued, raised, incurred and/ or utilized.

Upon the coming into effect of the Scheme and without prejudice to the aforesaid, all debentures, notes and other instruments of like nature (whether convertible into equity shares or not) issued by the Transferor Company 3, including, without limitation, the outstanding non-convertible debentures shall, pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Act, without any further act, instrument or deed, become the debt securities of the Transferee Company 2 on

the same terms and conditions, except to the extent modified under the provisions of this Scheme all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in and shall be exercised by or against the Transferee Company 2 as if it was the issuer of the debt securities so transferred.

3.35.24 Subject to the requirements, if any, imposed or concessions, if any, granted by the Stock Exchanges, and other terms and conditions agreed with the Stock Exchanges, the non-convertible debentures which stand transferred to the Transferee Company 2 shall be listed and/ or admitted to trading, on the Stock Exchanges, where the non-convertible debentures are currently listed and/ or admitted to trading, on the same terms and conditions, unless otherwise modified in accordance with Applicable Law.

3.35.25 Where any of the liabilities and obligations/assets attributed to the Transferor Company 3 on the Appointed Date have been discharged/ sold by the Transferor Company 3 after the Appointed Date and prior to the Effective Date, such discharge/ sale shall be deemed to have been for and on behalf of the Transferee Company 2.

3.35.26 Any payment or discharge of any liabilities, debts or obligations pertaining to the Transferor Company 3 by the Transferee Company 2 shall be deemed to have been made for and on behalf of the Transferor Company 3, and shall constitute a valid discharge.

3.35.27 This Scheme shall not operate to enlarge or extend the security for any of the liabilities of the Transferor Company 3 and the Transferee Company 2 shall not be obliged to create any further or additional security therefor, after the Effective Date, unless otherwise agreed to by the Transferee Company 2.

3.35.28 In so far as the existing security in respect of the Liabilities is concerned, such security shall, without any further act, instrument or deed be modified and shall be extended to, and shall operate only over the assets of the Transferor Company 3 which have been charged and secured, and subsisting as on the Effective Date, in respect of the Liabilities. Provided that if any of the assets of the Transferor Company 3 have not been charged or secured in respect of the Liabilities, such assets shall remain unencumbered and the existing security referred to above shall not be extended to, and shall not operate over such assets.

CANCELLATION OF LISTED NCDs ISSUED BY TRANSFEROR COMPANY 3, AND ISSUE AND LISTING OF NON-CONVERTIBLE DEBENTURES IN LIEU THEREOF BY THE TRANSFEREE COMPANY 2:

3.35.29 As an integral part of the Scheme, upon the same taking effect, the Listed NCDs issued by the Transferor Company 3, shall without any further act, deed or requirement stand cancelled and any liability in respect of the same shall stand extinguished. Further, and in lieu of the cancellation of such Listed NCDs, the Transferee Company 2 will issue to each of the holders of the Listed NCDs, such number of fresh non-convertible debentures equal to the number of Listed NCDs held by them on the same terms and conditions, applicable to the Listed NCDs, as far as practicable. The Transferee Company 2 will further take steps to cause the listing of such non-convertible debentures issued in terms of this clause, in accordance with Applicable Laws. The number of fresh non-convertible debentures to be issued, in lieu of the Listed NCDs, in terms of this clause, has been arrived at and approved by the Board of Directors of the Transferor Company 3 and the Transferee Company 2, based on their respective independent judgment and taking into consideration valuation reports obtained from M/s. Ernst & Young Merchant Banking Services LLP and Ms. Drushti Desai of M/s. Bansi S Mehta & Co., independent Registered Valuers, who have arrived at a valuation of the Listed NCDs.

3.35.30 The Transferee Company 2 will appoint a Debenture Trustee in respect of the non-convertible debentures to be issued in terms of this Scheme, in compliance with the requirements of the SEBI [Issue and Listing of Debt Securities] Regulations, 2008, and the provisions of the Act, and such other requirements of Applicable Laws, as may be relevant in this regard.

Tax Treatment

3.35.31 All taxes, rates, duties, fees, cess etc., that are allocable, referable or related to the Transferor Company 3 and, payable, whether due or not, from the Appointed Date, including all advance tax payments, tax deducted at source, tax liabilities, tax obligations or any refunds, credits and claims shall, for all intent and purposes, be treated as the liability, obligations or refunds, credit and claims, as the case may be, of the Transferee Company 2.

3.35.32 Further, it will be deemed that the benefit of any tax credits whether central, state or local, availed by the Transferor Company 3, and the obligations, if any, for payment of taxes on any assets etc. shall be deemed to have been availed by Transferee Company 2.

3.35.33 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess receivable/payable by the Transferor Company 3, including all or any refunds/credit/claims/tax losses /unabsorbed depreciation relating thereto

shall be treated as the asset/liability or refunds/credit/claims/tax losses /unabsorbed depreciation, as the case may be, of the Transferee Company 2.

3.35.34 The Transferee Company 2 is expressly permitted to revise its tax returns, electronically or physically after taking credit for all taxes paid including tax deducted at source (TDS) certificates/ returns, wealth tax returns, service tax, excise duty, sales tax, value added tax, entry tax, cess, professional tax or any other statutory returns, if required, and shall be entitled to claim credit for advance tax paid, claim for sum(s) prescribed under Section 43B of the Income Tax Act, 1961 on payment basis, claim for deduction of provisions written back by Transferee Company 2 previously disallowed in the hands of Transferor Company 3 under the Income Tax Act, 1961 credit of tax under section 115JB read with section 115JAA of the Income Tax Act, 1961 credit of foreign tax paid/withheld, if any, pertaining to Transferor Company 3, consequent to implementation of this Scheme and where necessary to give effect to this Scheme, even if the prescribed time limit for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum to claim refunds, advance tax credits, excise and service tax credits, set off, etc., on the basis of the accounts of the Transferor Company 3 upon the coming into effect of this Scheme.

3.35.35 It is further clarified that the Transferee Company 2 shall have the right to claim refunds, tax credits, setoffs and/or adjustments relating to the income or transactions it has entered into, by virtue of this Scheme with effect from the Appointed Date. The taxes or duties paid by, for, or on behalf of the Transferor Company 3, relating to the period on or after Appointed Date, shall be deemed to be the taxes or duties paid by the Transferee Company 2, which shall be entitled to claim credit or refund for such taxes or duties.

Books and Records

3.35.36 All books, records, files, papers, catalogues, quotations, advertising materials, if any, lists of present and former clients, subscribers, and all other books and records, whether in physical or electronic form, of the Transferor Company 3, to the extent possible and permitted under Applicable Laws, be handed over by them to the Transferee Company 2.

Conduct of business till the effective date*:*

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

(a) The Transferor Company 3 shall both carry on, and be deemed to have been carrying on, all business activities and shall hold and stand possessed, and shall be deemed to have held and possessed, of all the assets, rights, title, interest, authorities, contracts, investments, decisions for and on account of, and in trust for, the Transferee Company 2.

(b) All profits or income or taxes, including but not limited to income tax, fringe benefit tax, advance taxes, tax deducted at source by or on behalf of the Transferor Company 3, minimum alternate tax credit, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, wealth tax, sales tax, value added tax, excise duty, service tax, Goods and Services Tax,customs duty, refund, reliefs, etc., accruing or arising to the Transferor Company 3, or losses arising or expenditure incurred by it, on and from Appointed Date upto the Effective Date, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure or the taxes of the Transferee Company 2.

(c) The Transferor Company 3 shall carry on its business activities with proper prudence and diligence and shall not, without prior written consent of the Transferee Company 2, alienate, charge or otherwise deal with or dispose off any of its business Undertaking(s) or any part thereof (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Company 3 prior to the Appointed Date).

(d) The Transferor Company 3 shall be permitted to make modification to its capital structure, either by an increase (by issue of rights shares, bonus shares, convertible debentures or otherwise), decrease, reclassification, sub-division or reorganisation or in any other manner, whatsoever, in the normal course of business without having to seek the explicit consent of the Board of Directors of the Transferee Company 2.

(e) The Transferor Company 3 shall not vary, except in the ordinary course of business, the terms and conditions of employment of its employees without the consent of the Board of Directors of the Transferee Company 2, and any promotions, increments etc., provided to employees shall be as per standard business practices employed in the normal course of business by Transferor Company 3.

(f) All assets acquired, leased or licensed, benefits, entitlements, incentives and concessions granted, contracts entered into, liabilities incurred and proceedings initiated or made party to, between the Appointed Date and the Effective Date by the Transferor Company 3 shall be deemed to be transferred to and vested in the Transferee Company 2. For avoidance of

doubt, where any of the Liabilities as on the Appointed Date [deemed to have been transferred to the Transferee Company 2] have been discharged by the Transferor Company 3, on or after the Appointed Date, but before the Effective Date, such discharge shall be deemed to have been for and on behalf of the Transferee Company 2 for all intent and purposes and under Applicable Laws.

(g) With effect from the Effective Date, the Transferee Company 2 shall carry on and shall be authorized to carry on the businesses of the Transferor Company 3, and till such time as the name of the account holder in the bank accounts of the Transferor Company 3, are substituted by the bank in the name of the Transferee Company 2, the Transferee Company 2 shall be entitled to operate such bank accounts of the Transferor Company 3, in its name, in so far as may be necessary.

(h) To the extent possible, pending sanction of this Scheme, the Transferor Company 3, or the Transferee Company 2 shall be entitled to apply to the relevant Governmental Authorities and other third parties, concerned, as may be necessary under any law or contract for transfer or modification of such consents, approvals and sanctions which the Transferee Company 2 may require to own and carry on the businesses of the Transferor Company 3, with effect from the Effective Date and subject to this Scheme being sanctioned.

(i) For the purpose of giving effect to the order passed under Sections 230 to 232 of the Act, in respect of this Scheme, by the NCLT, the Transferee Company 2 shall, upon the Scheme becoming effective, be entitled to get the record of the change in the legal right(s) standing in the names of the Transferor Company 3, in its favour in accordance with such order and the provisions of the Act, and Applicable Laws.

(j) The Transferor Company 3 shall declare or pay any dividends, as per its usual practice, and in accordance with the applicable provisions of the Companies Act, 2013, whether interim or final, to its equity shareholders in respect of the accounting period prior to the Appointed Date, and between the Appointed Date and Effective Date (subject to Applicable Law), without requiring any prior approval from the Board of Directors of Transferee Company 2.

3.36 CONSIDERATION

3.36.1 Upon coming into effect of this Scheme and in consideration for:

The amalgamation, transfer and vesting of Transferor Company 3 with Transferee Company 2, in terms of this Scheme, the shareholders of the Transferor Company 3 [other than Transferor Company 2] whose names are reflected in the Register of Members of the Transferor Company 3 as on Record Date 2; will be allotted shares in the following manner:

For every One Hundred fully paid equity shares of ₹ 10 [Indian Rupees Ten] each held in Transferor Company 3, by the shareholders other than Transferor Company 2, they will be entitled to One Hundred and Fifty Five fully paid equity shares of ₹ 10 [Indian Rupees Ten] each in Transferee Company 2.

3.36.2 The allotments of shares under Clause 3.36.1 above, of this Scheme by the Transferee Company 2 shall be made without any further application or deed, and to such of the shareholders of the Transferor Company 3, as on the Record Date 2 which date shall be decided by the Board of Directors of the Transferee Company 2.

3.36.3 The equity shares to be issued and allotted under Part III – Section V of the Scheme by the Transferee Company 2 shall be subject to its Memorandum of Association and Articles of Association. The equity shares issued by the Transferee Company 2 shall rank pari passu in all respects, including dividends, voting and other rights, with its existing equity shares. The Board of Directors of the Transferee Company 2, shall, if and to the extent required, apply for and obtain any approvals from concerned Government / Regulatory authorities for the issue and allotment of equity shares pursuant to this Scheme. The approval of this Scheme by the shareholders of all the concerned companies under Sections 230 to 232 of the Act, shall be deemed to constitute the approvals as may be required under any other applicable provisions of the Act and any other consents and approvals required in this regard.

3.36.4 On the Scheme becoming effective, and by virtue of the amalgamation of the Transferor Company 3 with the Transferee Company 2, the equity shares held by the Transferor Company 2 in Transferor Company 3, and considering that Transferor Company 2 is itself amalgamating with Transferee Company 2, shall stand cancelled.

3.37 ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY 2

3.37.1 Upon effectiveness of the Scheme and with effect from the Appointed Date, the amalgamation will be accounted in accordance with the "acquisition method" prescribed under the Indian Accounting Standard – 103 Business Combinations as notified under Section 133 of the Act, read together with Paragraph 3 of the Companies (Indian Accounting Standard) Rules, 2015.

3.37.2 The Transferee Company 2 shall recognise separately from goodwill, if any; the identifiable assets acquired, and the liabilities taken over, including such assets and liabilities that the Transferor Company 3 had not previously recognised in its financial statements.

3.37.3 The Transferee Company 2 shall measure the identifiable assets acquired and liabilities taken over at fair values determined as on Appointed Date.

3.37.4 The Transferee Company 2 shall record the equity shares issued and allotted as consideration at fair value as on the Appointed Date. The total face value of the equity shares on such issue shall be added to the share capital account and the balance shall be added to the securities premium account.

3.38 SAVING OF CONCLUDED TRANSACTIONS:

The transfer and vesting of the Transferor Company 3 with and into the Transferee Company 2 under Part III of this Scheme, shall not affect any transaction or proceedings already completed or liabilities incurred by the Transferor Companies, either prior to, or on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company 2 shall accept and adopt all acts, deeds and things done and executed by or on behalf of the Transferor Company 3, in respect thereto as acts, deeds and things done and executed by and on behalf of itself.

3.39 DISSOLUTION OF THE TRANSFEROR COMPANY 3

Subject to an order being made by the NCLT under Sections 230 to 232 of the Act, the Transferor Company 3 shall stand dissolved without the process of winding up on the Scheme becoming effective in accordance with the provisions of the Act and the Rules made thereunder.

4. ALLOTMENT OF SHARES ON ACCOUNT OF INCREASE IN TRANSFEROR COMPANY 2'S SHAREHOLDING IN TRANSFEROR COMPANY 3 AND/OR TRANSFEREE COMPANY 2

4.1 Upon coming into effect of this Scheme and in addition to the allotment of shares provided for in Sections II, III, IV, and V of Part – III of this Scheme:

i. In the event of the Transferor Company 2, prior to the Effective Date 2, acquiring additional fully paid-up equity shares in the Transferee Company 2 and/or the Transferor Company 3; the shares to be allotted to each of the shareholders of the Transferor Company 2 will be adjusted for such increase in the shareholding of the Transferor Company 2 in the Transferee Company 2 and/or Transferor Company 3, proportionate to the extent of their shareholding in Transferor Company 2, on the following basis:

- *In respect of every 1 additional share of the Transferee Company 2 so acquired by Transferor Company 2, the shareholders of the Transferor Company 2, for every 1 share held by them in Transferor Company 2, be entitled to 1 additional share of the Transferee Company 2, with the number of shares to be allotted out of such additional share(s) to each of such shareholders, being in proportion to their shareholding(s) in Transferor Company 2;*
- *In respect of every 1 additional share of the Transferor Company 3 so acquired by Transferor Company 2, the shareholders of the Transferor Company 2 , for every 1 share held by them in Transferor Company 2 , and considering that Transferor Company 3 is as a part of this Scheme, being amalgamated with Transferee Company 2, be entitled to additional share(s) of the Transferee Company 2 [based on the entitlement ratio(s) for the allotment of shares of Transferee Company 2 for shares held in Transferor Company 3], with the number of shares to be allotted out of such additional share(s) to each of the shareholders, being in proportion to their shareholding(s) in Transferor Company 2 ;*

4.2 The share exchange ratios as set out in the various Sections of Part III of the Scheme have been arrived at and approved by the Board of Directors of the Transferor Companies, Resulting Companies, SFVPL and the Transferee Companies, based on their respective independent judgment and taking into consideration valuation reports obtained from M/s. Ernst & Young Merchant Banking Services LLP and Ms. Drushti Desai of M/s. Bansi S Mehta & Co., Independent Registered Valuers, who have arrived at a valuation of the shares of the Companies involved, by applying various parameters as customarily adopted in such valuation exercise, including inter alia the audited accounts/limited review accounts, of the Companies involved as on 30.09.2021. In addition, in so far as the Transferor Company 3 and Transferee Company 2 are concerned, such independent Registered Valuers have also considered the quoted price of the respective company's shares listed on the Stock Exchanges. Further, in respect of the Transferor Company 3 and Transferee Company 2, the

Board of Directors of such Companies have also considered the fairness report of M/s. JM Financial Limited and M/s. HSBC Securities and Capital Market (India) Private Limited, respectively placed before them. The Board of Directors of the Transferor Companies, Resulting Companies, SFVPL and the Transferee Companies have come to the conclusion that the proposed share exchange ratios are fair and reasonable to the shareholders of each of the Companies involved.

4.3 All share issuances under this Scheme by the Transferee Company 2 shall be in compliance with the requirements of the SEBI LODR Regulations and the SEBI Master Circular, and other requirements of Applicable Laws. The new equity shares to be issued by Transferee Company 2, pursuant to the Scheme, will be listed and/or admitted to trading on the BSE and NSE where the equity shares of the Transferee Company 2 are listed and/or admitted to trading. The Transferee Company 2 shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the Applicable Laws or regulations for complying with the formalities of the aforesaid Stock Exchanges. On such formalities being fulfilled the said Stock Exchanges shall list and /or admit such new equity shares also for the purpose of trading. The new equity shares allotted by the Transferee Company 2, pursuant to the Scheme, shall remain frozen in the depositories system till the listing / trading permission is given by the BSE and NSE. Further, there shall be no change in the shareholding pattern or control in Transferee Company 2 between the Record Date 2 and the listing of the new equity shares allotted by Transferee Company 2. No fractional certificate(s) shall be issued by the Transferee Company 2 in respect of any fractions which the equity shareholders of Transferor Companies 2 and 3 may be entitled to on issue and allotment of new equity shares pursuant to the Scheme. The Board of Directors of the Transferee Company 2 shall instead, consolidate all such fractional entitlements and allot new equity shares in lieu thereof to a trust as the Board of Directors of Transferee Company 2 shall appoint in this regard who shall hold the new equity shares in trust on behalf of the equity shareholders entitled to such fractional entitlements with express understanding that such trust shall sell such shares in the market at such price, within a period of 90 days from the date of allotment of shares, and arrange for the net sale proceeds, after applicable deductions, to the equity shareholders entitled in proportion to their respective fractional entitlements. In case the number of such new shares to be allotted to the said trust by virtue of consolidation of fractional entitlements is a fraction, one additional equity share will be issued in the Transferee Company 2, subject to Applicable Laws. The equity shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. As mandated under the regulations framed by SEBI in this regard, the Transferee Company 2 will issue shares pursuant to the Scheme only in electronic form and to the demat account of the respective shareholders. In the event of any shareholder failing to communicate their demat account details to the Transferee Company 2 before the Record Date 2, the shares issued by the Transferee Company 2 will be kept in a suspense account, and will be credited to the demat account(s) of the respective shareholders, as and when such details are received.

PART IV

5. INCREASE IN AUTHORIZED SHARE CAPITAL OF THE TRANSFEREE COMPANY 2

5.1. Upon the Scheme becoming effective, and as an integral part thereof, the authorized share capital of the Transferee Company 2, shall stand increased, without any further act, deed or requirement, such that the increased authorized share capital of the Transferee Company 2 shall be a sum of ₹4,265,50,00,000/- (Rupees Four Thousand Two Hundred and Sixty Five Crores Fifty Lakhs Only), consisting of 297,55,00,000 equity shares of ₹10 each and 12,90,00,000 Preference Shares of ₹100 each, on payment of appropriate fee payable for such increase in the authorised capital after adjusting the fee paid by the Transferor Company 1, Transferor Company 2 and the Transferor Company 3 each in respect of their authorised capital, as envisaged under section 232(3)(i) of the Act.

5.2. Accordingly, the capital clause in the Memorandum of Association of the Transferee Company 2 shall stand amended and will read as follows:

"The Authorized Share Capital of the Company is ₹4,265,50,00,000/- (Rupees Four Thousand Two Hundred and Sixty Five Crores Fifty Lakhs Only), consisting of 297,55,00,000 equity shares of ₹10 each and 12,90,00,000 Preference Shares of ₹100 each"

6. INCIDENTAL AND ANCILLARY PROVISIONS:

6.9 Upon the Scheme becoming effective, and without any further act, deed, consent or approval being required, the name of the Transferee Company 2 will be altered to Shriram Finance Limited or such other name as may be approved by the Registrar of Companies, Ministry of Corporate Affairs, subject to the Transferee Company 2 filing all necessary forms and applications in this regard. The approval of the shareholders of the Transferee Company 2 and the approval of the NCLT to the Scheme shall be considered as the approval required under the provisions of the Act for such change of name.

25. The Scheme is conditional upon and subject to the satisfaction or waiver of following–

8. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS

The Scheme is conditional on and subject to satisfaction or waiver of following-

8.1. The Scheme being agreed to by the requisite majorities of the shareholders of the respective Transferor Companies, SFVPL, Demerged Company, Resulting Companies and the Transferee Companies, at meetings to be convened and held, in accordance with the provisions of Sections 230 to 232 of the Act, and other applicable provisions, and the applicable SEBI regulations with respect to the Transferor Company 3 and Transferee Company 2.

Transferor Company 3 and Transferee Company 2 shall comply with the provisions of SEBI Master Circular on Schemes of Listed Companies, while, inter alia, procuring the approval of its respective public shareholders and shall provide for voting by such public shareholders in accordance with Applicable Laws.

8.2. The Scheme being sanctioned by the Bench(es) of the NCLT having jurisdiction over the Transferor Companies, SFVPL, Demerged Company, Resulting Companies and the Transferee Companies;

8.3. The filing with the Registrar of Companies having jurisdiction over the Transferor Companies, SFVPL, Demerged Company, Resulting Companies and the Transferee Companies, of certified copies of the order sanctioning the Scheme.

8.4. The requisite consent, approval or permission from the necessary and concerned Government Authorities, including but not limited to, the Competition Commission of India, the IRDAI to the extent required under the IRDAI Regulations, Reserve Bank of India, the concerned Stock Exchanges and/or SEBI, which by law or otherwise may be necessary for the implementation of this Scheme

Note: The aforesaid are the extracts of the salient features of the Scheme. The Secured Creditors are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

Disclosures under Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

26. The Transferor Company 1 holds 20% of the shareholding in the Transferee Company 1/Transferor Company 2 and 9.47% of the shareholding in SFVPL. SFVPL holds 70.56% of the shareholding in Transferee Company 1/Transferor Company 2. Transferee Company 1/Transferor Company 2 holds 26.04% of the shareholding and 33.86% of the shareholding in Transferee Company 2 and Transferor Company 3 respectively. The Transferor Company 2 holds 74.56% of the shareholding and 76.63% of the shareholding in Resulting Company 1 and Resulting Company 2 respectively. The Transferor Company 2 further holds 100% of the shareholding in Resulting Company 3.

27. The Accounting treatment as proposed in the Scheme is in conformity with the accounting standards prescribed under Section 133 of the Act.

28. Under the Scheme, no compromise is sought to be entered into between the Transferee Company 2 and its Secured Creditors. No rights of the Secured Creditors of the Transferee Company 2 are being affected pursuant to the amalgamation of the Transferor Company 2 with its Remaining Undertaking with the Transferee Company 2 and the amalgamation of the Transferor Company 3 with the Transferee Company 2.

29. In respect of the Scheme, no compromise is sought to be entered into between the Transferee Company 2 and its secured creditors and no liabilities of the secured creditors of the Transferee Company 2 are being reduced or being extinguished under the Scheme. Under the Scheme, no compromise is sought to be entered into between the Transferee Company 2 and its debenture holders. The Listed NCDs issued by the Transferor Company 3, shall stand cancelled and in lieu of the cancellation of such Listed NCDs, the Transferee Company 2 will issue to each of the holders of the Listed NCDs, such number of fresh non-convertible debentures equal to the number of Listed NCDs held by them in Transferor Company 3 on the same terms and conditions, applicable to the Listed NCDs, as far as practicable.

30. The rights of the employees of the Transferee Company 2 are in no way affected by the Scheme. The employees engaged by the Transferee Company 2 shall continue their employment and the Transferee Company 2 shall continue making contributions to the Provident Fund, Gratuity, Pension, Superannuation Fund or any other special funds that are applicable to the employees.

31. Since the proposed Scheme does not involve any compromise or arrangement with the creditors, Debenture holders or Debenture trustee of the Transferee Company 2, the rights of the creditors, Debenture holders or debenture trustee of the Transferee Company 2 shall not be affected by the Scheme. The creditors will be paid off in the ordinary course of business and when their dues are payable. There is no likelihood that the creditors would be prejudiced in any manner if the Scheme is sanctioned.

32. The Scheme does not affect the material interests of any of the directors, KMPs, promoters, shareholders, creditors, Debenture holders, Debenture trustees, Depositors, Deposit trustees or employees of the Transferee Company 2 Company.

33. In compliance with the provisions of Section 232(2)(c) of the Act, the Board of Directors of the Transferee Company 2 considered the effect of the Scheme on equity shareholders, key managerial personnel, promoter and non-promoter shareholders amongst others. Copy of the report approved by the Board of Directors of the Transferee Company 2 in this regard is enclosed as **Annexure B**.

34. No investigation proceedings have been instituted or are pending in relation to the Companies under Sections 210 to 229 of Chapter XIV of the Act or under the corresponding provisions of the Act of 1956. Further, no proceedings are pending under the Act or under the corresponding provisions of the Act of 1956 against any of the Companies.

35. No winding up proceedings have been filed or are pending against the Companies under the Act or the corresponding provisions of the Act of 1956.

36. The Board of Directors of the Transferee Company 2 has approved the Composite Scheme of Arrangement and Amalgamation between Shrilekha Business Consultancy Private Limited and Shriram Financial Ventures (Chennai) Private Limited and Shriram Capital Limited and Shriram Transport Finance Company Limited and Shriram City Union Finance Limited and Shriram LI Holdings Private Limited and Shriram GI Holdings Private Limited and Shriram Investment Holdings Limited and its respective shareholders. The said companies including the Transferee Company 2 had filed separate applications before NCLT, seeking necessary directions, being CA (CAA) No. 7 of 2022 filed by the Transferee Company 2, CA (CAA) No. 38 of 2022, CA (CAA) No. 37 of 2022 and CA (CAA) No. 40 of 2022 filed by SFVPL, Transferor Company 1 and the Transferee Company 1, respectively and CA (CAA) No. 39 of 2022, CA (CAA) No. 5 of 2022 and CA (CAA) No. 8 of 2022 filed by the Resulting Company 1, 2 and 3 respectively and CA (CAA) No. 36 of 2022 filed by the Transferor Company 3. NCLT vide its Order, has issued necessary directions for convening/dispensing with the meetings in respect of the aforesaid companies. A copy of the order of the NCLT is enclosed as Annexure F.

37. The copy of the proposed Scheme has been filed by the Companies before the concerned Registrar of Companies on May, 13, 2022.

38. The Copy of the Annual Report of Transferee Company 2 for the year ended on March 31, 2021; Limited Review Financial Results of the Transferee Company 2 for the period ended on September 30, 2021 are available for inspection.

39. Copy of the Supplementary Accounting Statement – Audited Financial Results of Transferee Company 2 for the year ended March 31, 2022 is enclosed as Annexure G.

40. Pursuant to the requirement of Regulation 37 of Listing Regulations as amended read with Circular No. SEBI/HO/CFD/DIL2/ CIR /P/2021/ 0000000659 dated November 18, 2021 and read with Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/ 0000000665 dated November 23, 2021 issued by SEBI, the Transferee Company 2 had approached Secured Creditors and the Debenture Trustee(s) for obtaining their No Objection to the Scheme. The debenture trustees representing the secured debentures conducted E-voting for obtaining consent /no objection to the Scheme from the Debenture holders. The Debenture Trustee(s) conveyed their No Objection to the Scheme on behalf of debenture holders. The majority of the other Secured Creditors viz. banks and institutions also conveyed their No objection to the Scheme.

41. The names and addresses of the promoters of the Transferee Company 2 including their shareholding in the Companies as on March 31, 2022 are as under:

Sr. No.	Name	No. of Equity Shares	Percentage of Shareholding	Address
1	Shriram Capital Limited - Promoter	7,04,37,147	26.04 %	Shriram House, No.4 Burkit Road, T. Nagar, Chennai - 600017
2	Shriram Value Services Limited - Promoter Group	10,56,379	0.39%	Shriram House, No.4 Burkit Road, T. Nagar, Chennai - 600017
3	Shriram Ownership Trust – Promoter Group (#)	56,906	0.02 %	Shriram House, No.4 Burkit Road, T. Nagar, Chennai - 600017

(#) Shriram Ownership Trust (Promoter Group) is holding 56,906 Equity Shares of the Company. The shares are held in the name of Trustees viz., Mr. R Thyagarajan and Mr. D V Ravi.

Shriram Value Services Limited - Promoter Group has purchased 22,01,964 equity shares of the Transferee company 2 during the period commencing from May 05, 2022 till May 13, 2022.

The names and addresses of the promoters of the Transferor Company 1, Transferor Company 2, and Transferor Company 3, are provided in **Schedule I** to this Notice.

42. The details of the directors of the Transferee Company 2 as on March 31, 2022, and their addresses are as follows:

Sr. No.	Name	Category of Directorship	Address
1	Mr. S Lakshminarayanan DIN: 02808698	Chairman Non-Executive Independent Director	33, Paschimi Marg, First Floor, Vasant Vihar, New Delhi – 110 057
2	Mr. Umesh Revankar DIN: 00141189	Executive, Vice Chairman and Managing Director	1001, Simran CHS Ltd., Plot no. 9, 15th Road, Khar (West), Near Gabana HDFC Bank, Mumbai - 400052
3	Mrs. Kishori Jayendra Udeshi DIN: 01344073	Non-Executive Independent Director	15, Sumit Apartment, 31, Carmichael Road, Mumbai – 400026
4	Mr. Sridhar Srinivasan DIN: 00004272	Non-Executive Independent Director	D-905, Ashok Towers, Dr. S. S. Rao Road, Parel, Mumbai - 400012
5	Mr. Pradeep Kumar Panja DIN: 03614568	Non-Executive Independent Director	'Bhaskara' 21, I Main Road, 4th Cross, Gaurav Nagar, JP Nagar 7th Phase, Bangalore 560 078
6	Mr. D. V. Ravi DIN:00171603	Non-Executive and Non-Independent Director	B3E, Regal Palm Gardens, CEE DEE YES Apartments, Velachery Tambaram Road, Velachery, Chennai-600 042
7	Mr. Ignatius Michael Viljoen DIN: 08452443	Non-Executive and Non-Independent Director	419, Highland Road, Kensington, Johannesburg, 2094, South Africa
8	Mr. Y. S. Chakravarti DIN: 00052308 (#)	Non-Executive and Non-Independent Director	Flat No 302, Banjara Heritage Apartments, Road No 3, Panchavati Society, Banjara Hills, Hyderabad - 500 034
9	Mr. Parag Sharma DIN: 02916744 ($)	Executive, whole-time director designated as Joint Managing Director and Chief Financial Officer	Plot No.27, Flat No.B-1401, 14th Floor, Sector -11, Ellors Building, CBD Belapur, New Mumbai - 400614

(#) Mr. Y. S. Chakravarti is appointed as an Additional director with effect from December 13, 2021, subject to approval of shareholders in the 43rd Annual General Meeting scheduled to be held on June 23, 2022.

($) Mr. Parag Sharma, Joint Managing Director and Chief Financial Officer of the Company, has been appointed as an Additional Director and also as Whole-Time Director designated as Joint Managing Director and Chief Financial Officer of the Company with effect from December 13, 2021. His tenure of Whole-Time Directorship will be for a period of five years up to December 12, 2026, subject to approval of shareholders in the 43rd Annual General Meeting scheduled to be held on June 23, 2022.

The details of the directors of the Transferor Company 1, Transferor Company 2, and Transferor Company 3, are set out in **Schedule II** to this Notice.

43. The details of the shareholding of the Directors and the Key Managerial Personnel of the Transferee Company 2 as on March 31, 2022 are as follows:

Sr. No.	Name	Category	No. of Equity Shares	Percentage of Shareholding
1	Mr. S Lakshminarayanan DIN: 02808698	Chairman Non-Executive Independent Director	Nil	Nil
2	Mr. Umesh Revankar DIN: 00141189	Executive, Vice Chairman and Managing Director	Nil	Nil
3	Mrs. Kishori Jayendra Udeshi DIN: 01344073	Non-Executive Independent Director	Nil	Nil
4	Mr. Sridhar Srinivasan DIN: 00004272	Non-Executive Independent Director	Nil	Nil
5	Mr. Pradeep Kumar Panja DIN: 03614568	Non-Executive Independent Director	Nil	Nil
6	Mr. D. V. Ravi DIN:00171603	Non-Executive and Non-Independent Director	Nil	Nil
7	Mr. Ignatius Michael Viljoen DIN: 08452443	Non-Executive and Non-Independent Director	Nil	Nil
8	Mr. Y. S. Chakravarti DIN: 00052308	Non-Executive and Non-Independent Director	Nil	Nil
9	Mr. Parag Sharma DIN: 02916744	Executive, whole-time director designated as Joint Managing Director and Chief Financial Officer	46,628	0.02%
10	Mr. Vivek Achwal	Company Secretary	Nil	Nil
11	Mr. S. Sunder	Joint Managing Director	114	0.00%
12	Mr. P. Sridharan	Joint Managing Director	2	0.00%
13	Mr. Sudarshan Holla	Joint Managing Director	569	0.00%
14	Mr. Nilesh Odedara	Joint Managing Director	Nil	Nil
15	Mr. U. Balasundara Rao	Chief Information Officer	399	0.00%
16	Mr. Hardeep Singh Tur	Chief Risk Officer	Nil	Nil

The details of the shareholding of the Directors and Key Managerial Personnel of the Transferor Company 1, Transferor Company 2, and Transferor Company 3, are set out in **Schedule III** to this Notice.

44. The pre-Scheme shareholding pattern of the Transferee Company 2 as on March 31, 2022 and the post-Scheme shareholding pattern of the Transferee Company 2, and the pre-Scheme shareholding pattern of the Transferor Company 2 and Transferor Company 3 are as set out hereinunder:

The pre- Scheme shareholding pattern of the Transferee Company 2 as on March 31, 2022 is as under:

Sr No	Category of Shareholder	Total No. of Shares	As a percentage of total capital
(A)	**Promoter and Promoter Group**		
(1)	**Indian**		
(a)	Individuals/Hindu undivided Family	0	0.00%
(b)	Central Government/ State Government(s)	0	0.00%
(c)	Financial Institutions/ Banks	0	0.00%
(d)	Any Other (specify)	71550432	26.45%
	Sub-Total (A)(1)	**71550432**	**26.45%**
(2)	**Foreign**		
(a)	Individuals (Non Resident Individuals/ Foreign Individuals)	0	0.00%
(b)	Government	0	0.00%
(c)	Institutions	0	0.00%

Sr No	Category of Shareholder	Total No. of Shares	As a percentage of total capital
(d)	Foreign Portfolio Investor	0	0.00%
(e)	Any Other (specify)	0	0.00%
	Sub-Total (A)(2)	0	0.00%
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**71550432**	26.45%
B	**Public Shareholding**		
(1)	**Institutions**		
(a)	Mutual Funds	14337965	5.30%
(b)	Venture Capital Funds	0	0.00%
(c)	Alternate Investment Funds	475600	0.18%
(d)	Foreign Venture Capital Investors	0	0.00%
(e)	Foreign Portfolio Investors	145746541	53.88%
(f)	Financial Institutions/ Banks	584113	0.22%
(g)	Insurance Companies	22335894	8.26%
(h)	Provident Funds/ Pension Funds	115855	0.04%
(i)	Any Other (specify)	0	0.00%
	Sub-Total (B)(1)	183595968	67.87%
(2)	**Central Government/ State Government(s)/ President of India**	0	0.00%
	Sub-Total (B)(2)	0	0.00%
(3)	**Non-institutions**		
(a(i))	Individuals- i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.	11597981	4.29%
(a(ii))	Individuals - ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs.	1164110	0.43%
(b)	NBFCs registered with RBI	1609	0.00%
(c)	Employee Trusts	0	0.00%
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0.00%
(e)	Any Other (specify)		
	IEPF	1058497	0.39%
	Unclaimed or Suspense or Escrow Account	60919	0.02%
	Non-Resident Indian (NRI)	348034	0.13%
	Trusts	276119	0.10%
	Clearing Members	310735	0.11%
	Bodies Corporate	526564	0.19%
	Others	19092	0.01%
	LLP	9653	0.00%
	Sub-Total (B)(3)	15373313	5.68%
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	**198969281**	73.55%
C	**Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**		
(1)	Custodian/DR Holder - Name of DR Holders (If Available)	0	0.00%
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0.00%
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	**0**	0.00%
	Total (A+B+C)	**270519713**	100.00%

The pre- Scheme shareholding pattern of the Transferor Company 2 as on March 31, 2022 is as under:

Sr No	Category of Shareholder	Total No. of Shares	As a percentage of total capital
(A)	**Promoter and Promoter Group**		
(1)	**Indian**	0	0.00
(a)	Individuals/Hindu undivided Family	0	0.00
(b)	Central Government/ State Government(s)	0	0.00
(c)	Financial Institutions/ Banks	0	0.00
(d)	Any Other (specify) Corporate Bodies and Trust	758119531	70.56
	Sub-Total (A)(1)	**758119531**	**70.56**
(2)	**Foreign**		
(a)	Individuals (Non Resident Individuals/ Foreign Individuals)	0	0.00
(b)	Government	0	0.00
(c)	Institutions	0	0.00
(d)	Foreign Portfolio Investor	0	0.00
(e)	Any Other (specify)	0	0.00
	Sub-Total (A)(2)	0	0.00
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**758119531**	**70.56**
(B)	**Public Shareholding**		
(1)	**Institutions**	0	0.00
(a)	Mutual Funds	0	0.00
(b)	Venture Capital Funds	0	0.00
(c)	Alternate Investment Funds	0	0.00
(d)	Foreign Venture Capital Investors	0	0.00
(e)	Foreign Portfolio Investors	0	0.00
(f)	Financial Institutions/ Banks	0	0.00
(g)	Insurance Companies	0	0.00
(h)	Provident Funds/ Pension Funds	0	0.00
(i)	Any Other (specify) OCB's	101380344	9.44
	Sub-Total (B)(1)	101380344	9.44
(2)	**Central Government/ State Government(s)/ President of India**	0	0.00
	Sub-Total (B)(2)	0	0.00
(3)	**Non-institutions**		
(a(i))	Individuals -	250	0.00
	i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.		
(a(ii))	Individuals -	0	0.00
	ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs.		
(b)	NBFCs registered with RBI	0	0.00
(c)	Employee Trusts	0	0.00
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0.00
(e)	Any Other (specify)	0	0.00
	IEPF	0	0.00
	Unclaimed or Suspense or Escrow Account	0	0.00
	Non-Resident Indian (NRI)	0	0.00
	Trusts	0	0.00

Sr No	Category of Shareholder	Total No. of Shares	As a percentage of total capital
	Clearing Members	0	0.00
	Bodies Corporate	214913006	20.00
	Others	0	0.00
	LLP	0	0.00
	Sub-Total (B)(3)	214913256	20.00
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	**316293600**	**29.44**
C	Statement showing shareholding pattern of the Non Promoter- Non Public shareholder		
(1)	Custodian/DR Holder - Name of DR Holders (If Available)	0	0.00
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0.00
	Total Non-Promoter- Non Public Shareholding(C)= (C)(1)+(C)(2)	**0**	0.00
	Total (A+B+C)	**1074413131**	**100.00**

The pre- Scheme shareholding pattern of the Transferor Company 1 as on March 31, 2022 is as under:

Sr No	Category of Shareholder	Total No. of Shares	As a percentage of total capital
(A)	**Promoter and Promoter Group**		
(1)	**Indian**	0	0.00
(a)	Individuals/Hindu undivided Family	0	0.00
(b)	Central Government/ State Government(s)	0	0.00
(c)	Financial Institutions/ Banks	0	0.00
(d)	Any Other (specify) Trust	20800000	25.05
	Sub-Total (A)(1)	**20800000**	**25.05**
(2)	**Foreign**		
(a)	Individuals (Non Resident Individuals/ Foreign Individuals)	0	0.00
(b)	Government	0	0.00
(c)	Institutions	0	0.00
(d)	Foreign Portfolio Investor	0	0.00
(e)	Any Other (specify)	0	0.00
	Sub-Total (A)(2)	0	0.00
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**20800000**	**25.05**
B	**Public Shareholding**		
(1)	**Institutions**	0	0.00
(a)	Mutual Funds	0	0.00
(b)	Venture Capital Funds	0	0.00
(c)	Alternate Investment Funds	0	0.00
(d)	Foreign Venture Capital Investors	0	0.00
(e)	Foreign Portfolio Investors	0	0.00
(f)	Financial Institutions/ Banks	0	0.00
(g)	Insurance Companies	0	0.00
(h)	Provident Funds/ Pension Funds	0	0.00
(i)	Any Other (specify) OCB's	0	0.00
	Sub-Total (B)(1)	0	0.00
(2)	**Central Government/ State Government(s)/ President of India**	0	0.00
	Sub-Total (B)(2)	0	0.00

Sr No	Category of Shareholder	Total No. of Shares	As a percentage of total capital
(3)	**Non-institutions**		
(a(i))	Individuals - i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.	225	0.00
(a(ii))	Individuals - ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs.	0	0.00
(b)	NBFCs registered with RBI	0	0.00
(c)	Employee Trusts	0	0.00
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0.00
(e)	Any Other (specify)	0	0.00
	IEPF	0	0.00
	Unclaimed or Suspense or Escrow Account	0	0.00
	Non-Resident Indian (NRI)	0	0.00
	Trusts	0	0.00
	Clearing Members	0	0.00
	Bodies Corporate	62234605	74.95
	Others	0	0.00
	LLP	0	0.00
	Sub-Total (B)(3)	62234830	74.95
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	**62234830**	**74.95**
C	**Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**		
(1)	Custodian/DR Holder - Name of DR Holders (If Available)	0	0.00
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0.00
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	**0**	0.00
	Total (A+B+C)	**83034830**	**100.00**

The pre- Scheme shareholding pattern of the Transferor Company 3 as on March 31, 2022 is as under:

Sr No	Category of Shareholder	Total No. of Shares	As a percentage of total capital
(A)	**Promoter and Promoter Group**		
(1)	**Indian**		
(a)	Individuals/Hindu undivided Family	0	0.00
(b)	Central Government/ State Government(s)	0	0.00
(c)	Financial Institutions/ Banks	0	0.00
(d)	Any Other (specify)	2,30,61,083	34.61
	Sub-Total (A)(1)	**2,30,61,083**	**34.61**
(2)	**Foreign**		
(a)	Individuals (Non Resident Individuals/ Foreign Individuals)	0	0.00
(b)	Government	0	0.00
(c)	Institutions	0	0.00
(d)	Foreign Portfolio Investor	0	0.00
(e)	Any Other (specify)	0	0.00
	Sub-Total (A)(2)	0	0.00
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**2,30,61,083**	**34.61**

Sr No	Category of Shareholder	Total No. of Shares	As a percentage of total capital
B	**Public Shareholding**		
(1)	**Institutions**		
(a)	Mutual Funds	2672,735	4.01
(b)	Venture Capital Funds	0	0.00
(c)	Alternate Investment Funds	100	0.00
(d)	Foreign Venture Capital Investors	0	0.00
(e)	Foreign Portfolio Investors	1,87,60,898	28.16
(f)	Financial Institutions/ Banks	1675	0.00
(g)	Insurance Companies	0	0
(h)	Provident Funds/ Pension Funds	0	0
(i)	Any Other (specify)	0	0
	Sub-Total (B)(1)	2,14,35,408	32.17
(2)	**Central Government/ State Government(s)/ President of India**	0	0.00
	Sub-Total (B)(2)	0	0
(3)	**Non-institutions**		
(a(i))	Individuals - i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.	17,22,004	2.58
(a(ii))	Individuals - ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs.	1,46,472	0.22
(b)	NBFCs registered with RBI	22,855	0.03
(c)	Employee Trusts	0	0.00
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0.00
(e)	Any Other (specify)	0	0.00
	IEPF	60,360	0.10
	Unclaimed or Suspense or Escrow Account	475	0.00
	Non-Resident Indian (NRI)	66,863	0.10
	Trusts	22	0.00
	Clearing Members	7,629	0.01
	Bodies Corporate	66,73,406	10.02
	Others Corporate Body foreign	1,34,30,385	20.16
	LLP	1,054	0.00
	Sub-Total (B)(3)	22,131,525	33.22
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	**4,35,66,933**	**65.39**
C	**Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**		
(1)	Custodian/DR Holder - Name of DR Holders (If Available)	0	0.00
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0.00
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	**0**	**0**
	Total (A+B+C)	**6,66,28,016**	**100.00**

The Post-Scheme shareholding pattern of the Transferee Company 2 that has been arrived at , based on the shareholding pattern of the Transferee Company 2 as on March 31, 2022 is as under:

Sr No	Category of Shareholder	Total No. of Shares	As a percentage of total capital
(A)	**Promoter and Promoter Group**		
(1)	**Indian**		
(a)	Individuals/Hindu undivided Family	0	0.00
(b)	Central Government/ State Government(s)	0	0.00
(c)	Financial Institutions/ Banks	0	0.00
(d)	Any Other (specify)	7,63,53,960	20.43%
	Sub-Total (A)(1)	**7,63,53,960**	**20.43%**
(2)	**Foreign**		
(a)	Individuals (Non Resident Individuals/ Foreign Individuals)	0	0.00
(b)	Government	0	0.00
(c)	Institutions	0	0.00
(d)	Foreign Portfolio Investor	0	0.00
(e)	Any Other (specify)	0	0.00
	Sub-Total (A)(2)	0	0.00
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	0	0.00
B	**Public Shareholding**		
(1)	**Institutions**		
(a)	Mutual Funds	1,84,80,704	4.94%
(b)	Venture Capital Funds	0	0.00
(c)	Alternate Investment Funds	4,75,755	0.13%
(d)	Foreign Venture Capital Investors	0	0.00
(e)	Foreign Portfolio Investors	17,48,26,367	46.77%
(f)	Financial Institutions/ Banks	5,86,709	0.16%
(g)	Insurance Companies	2,23,35,894	5.98%
(h)	Provident Funds/ Pension Funds	1,15,855	0.03%
(i)	Any Other (specify)	0	0.00
	Sub-Total (B)(1)	0	0.00
(2)	**Central Government/ State Government(s)/ President of India**	0	0.00
	Sub-Total (B)(2)	**21,68,21,284**	**58.01%**
(3)	**Non-institutions**		
(a(i))	Individuals - i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.	1,42,67,188	3.81%
(a(ii))	Individuals - ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs.	13,91,142	0.37%
(b)	NBFCs registered with RBI	37,034	0.01%

Sr No	Category of Shareholder	Total No. of Shares	As a percentage of total capital
(c)	Employee Trusts	0	0.00
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0.00
(e)	Any Other (specify)	0	0.00
	IEPF	11,52,055	0.31%
	Unclaimed or Suspense or Escrow Account	61,655	0.02%
	Non-Resident Indian (NRI)	4,51,672	0.12%
	Trusts	2,76,153	0.07%
	Clearing Members	3,22,560	0.09%
	Bodies Corporate	3,18,93,041	8.53%
	Foreign Institutional Investor	31,827	0.01%
	LLP	11,287	0.00%
	Overseas Bodies Corporate	3,07,22,276	8.22%
	Sub-Total (B)(3)	**3,59,21,098**	**34.59%**
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	**37,37,93,134**	**100.00%**
C	**Statement showing shareholding pattern of the Non Promoter- Non Public shareholder**		
(1)	Custodian/DR Holder - Name of DR Holders (If Available)	0	0.00%
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0.00%
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	**0**	0.00%
	Total (A+B+C)	**37,37,93,134**	**100.00%**

45. The capital structure of the Transferee Company 2 post sanctioning of the Scheme shall be as given hereunder:

Particulars	Number	Amount (₹)
Authorised		
Equity Shares of ₹ 10 each	29755,00,000	2975,50,00,000
Preference Shares of ₹ 100 each	12,90,00,000	1290,00,00,000
Issued, Subscribed and, Fully Paid up Equity Shares		
Issued Equity Shares of ₹ 10 each	372,916,326	3,72,91,63,260
Subscribed Equity Shares of ₹ 10 each	372,916,326	3,72,91,63,260
Fully Paid up Equity Shares of ₹ 10 each	372,916,326	3,72,91,63,260

The further details pertaining to the Transferor Companies 1,2, and 3, in terms of Rule 6 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016, are set out in **Schedule IV** to this Notice.

46. In the event that the Scheme is withdrawn in accordance with its terms, the Scheme shall stand revoked, cancelled and be of no effect and null and void.

47. Further, in accordance with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, the details regarding the Abridged Prospectus including information pertaining to the unlisted companies that are getting amalgamated with the Transferee Company 2 under the Scheme i.e., Shrilekha Business Consultancy Private Limited, and Shriram Capital Limited and the Certificate from Saffron Capital Advisors Private Limited, a SEBI Registered Merchant Banker, regarding the adequacy of disclosure in the said Abridged Prospectus have been provided and are attached hereto as **Annexure H**.

Inspection of Documents

48. The following documents will be open for inspection by the Secured Creditors of the Transferee Company 2 at its registered office at Sri Towers, Plot No. 14A, South Phase, Industrial Estate, Guindy, Chennai - 600032 between 10:00 A.M to 04:00 P.M. on all days (except Saturdays, Sundays and public holidays) upto the date of the meeting:

(1) Copy of the order passed by NCLT in CA(CAA) No. 7 of 2022, dated May 11, 2022 directing the Transferee Company 2 to, inter alia, convene the meetings of its equity shareholders, secured creditors and unsecured creditors;

(2) Copy of the Annual Report of the Transferee Company 2 for the financial year ended March 31, 2021;

(3) Copy of the Limited Review accounts of the Transferee Company 2 for the period ended September 30, 2021;

(4) Copy of the Supplementary Accounts – Audited Financial Results of the Transferee Company 2, as on March 31, 2022; Audited Financial Results of the Transferor Company 3 as on March 31, 2022; Limited Review Financial Statements of the Transferor Company 1 and Transferor Company 2 for the period ended December 31, 2021.

(5) Joint Valuation Report dated December 13, 2021 issued by the Registered valuer i.e. M/s. Ernst & Young Merchant Banking Services LLP and Ms. Drushti Desai of M/s. Bansi S Mehta & Co., Chartered Accountants recommending the valuation in respect of NCDs.

(6) Fairness Opinion on Valuation Report dated December 13, 2021 issued by M/s. HSBC Securities and Capital Market (India) Private Limited to the Board of Directors of the Transferee Company 2;

(7) Report of the Statutory Auditors dated December 13, 2021 issued by M/s Khimji Kunverji & Co. LLP (presently known as KKC & Associates LLP) and M/s Sundaram & Srinivasan certifying that the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 have been duly followed;

(8) Copy of the Scheme;

(9) Copy of the Abridged Prospectus as provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations including information pertaining to the unlisted companies that are getting amalgamated with the Transferee Company 2 under the Scheme i.e., Shrilekha Business Consultancy Private Limited, and Shriram Capital Limited;

49. This statement may be treated as an Explanatory Statement under Sections 230(3) and 102 of the Act read with Rule 6 of the Rules. A copy of the Scheme, Explanatory Statement shall be furnished by the Transferee Company 2 to its secured creditors, free of charge, within one (1) day between 10.00 a.m. and 04.00 p.m. (except Saturdays, Sundays and public holidays) on a requisition being so made for the same by the secured creditors of the Transferee Company 2 at the registered office of the Company. Secured Creditors can also send an e-mail to secretarial@stfc.in.

50. After the Scheme is approved by the Equity Shareholders, Secured Creditors and Unsecured Ceditors of the Transferee Company 2, it will be subject to all statutory and other approvals and the sanction by NCLT.

Umesh Revankar
Vice Chairman and Managing Director
(DIN: 00141189)

Dated at Chennai on this the 27th day of May 2022
Registered office:
Sri Towers, Plot No. 14A,
South Phase, Industrial Estate,
Guindy, Chennai - 600032.

The names and addresses of the promoters of the Transferor Company 1, Transferor Company 2, and Transferor Company 3, are provided in **Schedule I** to this Notice.

Particulars	Names and addresses of the promoters	Names and addresses of the promoters	Names and addresses of the promoters
Transferor Company 1 SBCPL	Shriram Ownership Trust No.4, Shriram House Burkit Road, T. Nagar, Chennai-600017	-	-
Transferor Company 2 SCL	-	Shriram Financial Ventures (Chennai) Private Limited No.4, Shriram House Burkit Road, T. Nagar, Chennai-600017 . Shriram Ownership Trust No.4, Shriram House Burkit Road, T. Nagar, Chennai-600017	-
Transferor Company 3 SCUF	-	-	Shriram Capital Limited No.4, Shriram House Burkit Road, T. Nagar, Chennai-600017

The details of the directors of the Transferor Company 1, Transferor Company 2, and Transferor Company 3, are set out in **Schedule II t**o this Notice. e.

Transferor Company 1 (SBCPL)

Name, Designation and DIN	Address
SRINIVASAN NATARAJAN Designation: Director DIN: 00155988	New No.7, Old No.4, Crescent Avenue, Kesava Perumal Puram, R A Puram, Chennai – 600028.
RAVI DEVAKI VENKATARAMAN Designation: Director DIN: 00171603	B3E, Regal Palm Gardens, CEE DEE Yes Apartments, Velachery Tambaram Road, Velachery, Chennai – 600042.
RUPEN MUKESH JHAVERI Designation: Director DIN: 01820858	Flat No.1701, Carmichael Residences, 21, Carmichael Road, Cumballa Hill, Mumbai 400026.

Transferor Company 2 (SCL)

Name, Designation and DIN	Address
Dr. Kodumudi Pranatharthiharan Krishnan Designation: Chairman DIN: 01099097	L-3, Ground Floor, Hauz Khas Enclave, New Delhi 110 016
Mr. Ravi Devaki Venkataraman Designation: Managing Director DIN: 00171603	B3E, Regal Palm Gardens, CEE DEE Yes Apartments, Velachery Tambaram Road, Velachery, Chennai – 600042.
Mr. Duruvasan Ramachandra Designation: Whole time Director DIN: 00223052	1-66/1,Villa No.5, Ramky CEO, Enclave, Gachibowli, K.V. Rangareddy, Telangana- 500032.
Mr. Lakshminarayanan Designation: Independent Director DIN: 00580679	8, Royal Enclave Besant Avenue Road, Adyar, Chennai, 600020, Tamil Nadu, India.
Mr. Thirumangalam Kuppuswamy Gowrishankar Designation: Independent Director DIN: 00847357	Apartment F3, Shubham Enclave, 52/53, First Main Road, R A Puram, Chennai, 600028.

Name, Designation and DIN	Address
Ms. Akhila Srinivasan Designation: Director DIN: 01193566	No.5, Old No.3, Appa Kannu Street, Royapettah, Chennai 600014
Mr. Heinie Carl Werth Designation: Nominee Director DIN: 00596671	48 Japonica Street Welgedacht Bellville 7530 South Africa
Mr. Jasmit Singh Gujral Designation: Director DIN: 00196707	S-12, Hanuman Nagar, Sirsi Road, Jaipur, 302021, Rajasthan, India
Mr. Puneet Bhatia Designation: Nominee Director DIN: 00143973	House No.525A, Magnolias Apartment, DLF Golf, Course, DLF Phase-V, Galleria DL, Guargaon 122 009
Mr. Rupen Mukesh Jhaveri Designation: Nominee Director DIN: 01820858	Flat No.1701, Carmichael Residences, 21, Carmichael Road, Cumballa Hill, Mumbai 400026
Mr. Stephanus Phillipus Mostert Designation: Nominee Director DIN: 03524096	31, Agapanthus Avenue, Welgedacht, Belville 7530 ZA
Mr. Umesh Govind Revankar Designation: Director DIN: 00141189	1001, Simran, CHS Ltd, Plot No.9, 15th Road, Khar (West) Near Gabana Hdfc Bank, Mumbai 400 052

Transferor Company 3 (SCUF)

Name, Designation and DIN	Address
Debendranath Sarangi Designation: Chairperson, Non-Executive and Independent Director DIN: 01408349	14 West Mada Street, Srinagar Colony, Saidapet, Chennai - 600 015
Srinivasa Chakravarti Yalamati Designation: Managing Director & CEO DIN: 00052308	Plot No.302 Heritage Banjara Apartment Road No.3, Panchavati Society, Banjara hills, Hyderabad Telangana, India 500034
Diwakar B Gandhi Designation: Non-Executive and Independent Director DIN: 00298276	F-217A, W5D4, Sainik Farms, New Delhi – 110 062
Duruvasan Ramachandra Designation: Non-Executive and Non-Independent Director DIN: 00223052	H No 1-66/1, Villa No. 5, CEO Enclave, Gachibowli, Hyderabad – 500 032
Ignatius Michael Viljoen Designation: Non-Executive, Non-Independent Director DIN: 08452443	419, Highland Road, Johannesburg, 2094, South Africa
Maya S. Sinha Designation: Non-Executive, Independent Director DIN: 03056226	11, 3rd Floor, Vipul Building, 28 B G Kher Marg, Malabar Hill, Mumbai 400 006
Shashank Singh Designation: Non-Executive, Non- Independent Director DIN: 02826978	7A, Manek, 7th Floor, 11, L D Ruparel Marg, Malabar Hill, Mumbai 400 006
Venkataraman Murali Designation: Non-Executive, Independent Director DIN: 00730218	Commander's Court, CCC 034, C Block, Flat 034, 49, Ethiraj Salai, Egmore, Chennai 600 008
Umesh Govind Revankar Designation: : Non-Executive, Non- Independent Director DIN: 00141189	1001, Simran CHS Ltd, Plot No. 9 15th Road, Khar (West) Near Gabana HDFC Bank, Mumbai – 400 052

The details of the shareholding of the Directors and Key Managerial Personnel of the Transferor Company 1, Transferor Company 2, and Transferor Company 3, are set out in **Schedule III** to this Notice.

Transferor Company 1 (SBCPL)

Name, Designation and DIN	Shareholding (no of shares with %)
SRINIVASAN NATARAJAN *Designation*: Director *DIN*: 00155988	Nil
RAVI DEVAKI VENKATARAMAN *Designation*: Director *DIN*: 00171603	45 (0.00%)
RUPEN MUKESH JHAVERI *Designation*: Director *DIN*: 01820858	Nil

Transferor Company 2 (SCL)

Name, Designation and DIN	Shareholding (no of shares with %)
Dr. Kodumudi Pranatharthiharan Krishnan *Designation*: Chairman *DIN*: 01099097	Nil
Mr. Ravi Devaki Venkataraman *Designation*: Managing Director *DIN*: 00171603	50 (0.00%)
Mr. Duruvasan Ramachandra *Designation*: Whole time Director *DIN*: 00223052	Nil
Mr. Lakshminarayanan *Designation*: Independent Director *DIN*: 00580679	Nil
Mr. Thirumangalam Kuppuswamy Gowrishankar *Designation*: Independent Director *DIN*: 00847357	Nil
Ms. Akhila Srinivasan *Designation*: Director *DIN*: 01193566	Nil
Mr. Heinie Carl Werth *Designation*: Nominee Director *DIN*: 00596671	Nil
Mr. Jasmit Singh Gujral *Designation: Director* *DIN:* 00196707	Nil
Mr. Puneet Bhatia *Designation: Nominee Director* *DIN:* 00143973	Nil
Mr. Rupen Mukesh Jhaveri *Designation: Nominee Director* *DIN:* 01820858	Nil

Name, Designation and DIN	Shareholding (no of shares with %)
Mr. Stephanus Phillipus Mostert *Designation: Nominee Director* *DIN: 03524096*	Nil
Mr. Umesh Govind Revankar *Designation: Director* *DIN: 00141189*	Nil
SUBHASRI SRIRAM *Designation: CFO*	Nil
SOMASUNDARAM SENTHILNATHAN *Designation: CS*	Nil

Transferor Company 3 (SCUF)

Name, Designation and DIN	Shareholding (no of shares with %)
Debendranath Sarangi *Designation*: Chairperson, Non-Executive and Independent Director *DIN*: 01408349	Nil
Srinivasa Chakravarti Yalamati *Designation*: Managing Director & CEO *DIN*: 00052308	Nil
Diwakar B Gandhi *Designation*: Non-Executive and Independent Director *DIN*: 00298276	Nil
Duruvasan Ramachandra *Designation*: Non-Executive and Non-independent Director *DIN*: 00223052	Nil
Ignatius Michael Viljoen *Designation*: Non-Executive, Non-Independent Director *DIN*: 08452443	Nil
Maya S. Sinha *Designation*: Non-Executive, Independent Director *DIN*: 03056226	Nil
Shashank Singh *Designation:* Non-Executive, Non- Independent Director *DIN*: 02826978	Nil
Venkataraman Murali *Designation:* Non-Executive, Independent Director *DIN*: 00730218	Nil
Umesh Govind Revankar *Designation: :* Non-Executive, Non- Independent Director *DIN:* 00141189	Nil
CHITTA DASH RANJAN *Designation: : CS*	11,772
SRINIVASA CHAKRAVARTI YALAMATI *Designation: : CEO*	Nil
RAMASUBRAMANIAN CHANDRASEKAR *Designation: : CFO(KMP)*	Nil

The further details pertaining to the Transferor Companies 1,2, and 3, in terms of Rule 6 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016, are set out in **Schedule IV** to this Notice.

Transferor Company 1 (SBCPL)

Background of the Companies involved in the Scheme:

Details of Shrilekha Business Consultancy Private Limited:

Si No	Particulars	Details to be provided
1	Details of the order of the Tribunal directing the calling, convening and conducting of the meeting a) Date of the Order b) Date, Time and Venue of the Meeting	May 11, 2022 Equity shareholders – July 5, 2022 at 10 am By way of video conferencing
2	Corporate Identification Number (CIN) or Global Location Number (GLN) of the company	U74999TN2017PTC114086
3	Permanent Account Number (PAN)	AAYCS0021L
4	Name of the company	Shrilekha Business Consultancy Private Limited
5	Date of incorporation	09-01-2017
6	Type of the company (whether public or private or one-person company)	Private Limited
7	Registered office address and e-mail address;	Shriram House, No.4, Burkit Road, T Nagar, Chennai 600017 sect@shriram.com
8	Summary of main object as per the memorandum of association; and main business carried on by the company;	To engage in the business of holding strategic long term investments including holding of shares and securities of companies and other bodies corporate, and to analyse and evaluate new opportunities to scale up the operations and to source funds to meet the funding requirement of new opportunities either through temporary or long term sources of funds and to carry on such other allied activities, offer consultancy and related services, and such other business. .
9	Details of change of name, registered office and objects of the company during the last five years;	No change in name, registered office and objects of the Company during last five years
10	Name of the stock exchange (s) where securities of the company are listed, if applicable;	Not applicable
11	Details of the capital structure of the company including authorized, issued, subscribed and paid up share capital; and	Please refer **Annexure I** given below as on March 31, 2022
12	Name of the promoters and directors along with their addresses.	Please refer schedule I and II provided above.
13	The date of the Board meeting at which the scheme was approved by the Board of directors including the name of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote/ participate on such resolution;	December 13, 2021. All the directors voted in favour of the resolution
14	Investigation or proceedings, if any, pending against the company under the Act.	No investigation or proceeding are pending against the Company under the Act
15	Details of approvals, sanctions or no-objection(s), if any, form regulatory or any other government authorities required, received or pending for the purpose scheme of compromise or arrangement.	Approval of the NCLT, RBI , IRDAI and CCI are required for the Composite Scheme of Arrangement.
16	The details of the shareholding of the Directors and Key Managerial Personnel	Please refer **Schedule III**

Annexure I

Details of Authorised, Issued, Subscribed and paid up as on 31.03.2022.

Particulars	As at 31.03.2022	
	Number of Shares	Amount (₹)
a. Authorised		
Equity Shares of ₹ 1 each	100,000,000	100,000,000
b. Issued		
Equity Shares of ₹ 1 each	83,034,830	83,034,830
c. Subscribed and Paid up		
Equity Shares of ₹ 1 each	83,034,830	83,034,830

Details of Shriram Capital Limited:

Si No	Particulars	Details to be provided
1	Details of the order of the Tribunal directing the calling, convening and conducting of the meeting a) Date of the Order b) Date, Time and Venue of the Meeting	May 11, 2022 Equity shareholders – July 5, 2022 at 12 pm By way of video conferencing
2	Corporate Identification Number (CIN) or Global Location Number (GLN) of the company	U65993TN1974PLC006588
3	Permanent Account Number (PAN)	AABCS2726B
4	Name of the company	Shriram Capital Limited
5	Date of incorporation	05-04-1974
6	Type of the company (whether public or private or one-person company)	Public Limited company
7	Registered office address and e-mail address;	Shriram House, No.4, Burkit Road, T Nagar, Chennai 600017 sect@shriram.com
8	Summary of main object as per the memorandum of association; and main business carried on by the company;	1. To engage in the business of investment promotion including facilitating Strategic Investor/ Private Equity investor / third parties to invest in the promoted entities, to form, promote any Company or Companies, whether Indian or foreign, having amongst its or their objects the acquisition of all or any of the assets or control or development of the Company, which could or might directly or indirectly assist the Company in the management of its business or the development of its properties and to pay all or any of the costs and expenses in connection with any such promotion or incorporation and to remunerate any person or Company in any matter it shall think fit for services rendered or to be rendered in obtaining subscriptions for or guaranteeing the subscription of or placing of any shares in the capital of the Company or any bonds, debentures, obligations or securities of the Company . 2. To carry on the business of investments by subscribing for purchase or otherwise acquire and hold, sell, dispose and deal in shares, stocks, debentures, debenture stocks and any other money market instruments or securities of any Company, mutual fund or of any authority, state, municipal, local or otherwise. 3. To carry on the business of Portfolio managers in syndicates in software and in shares, debentures, stocks or any other money market instruments. 4. To lend money on security on movable or immovable properties or any nature or without security and to negotiate loans.

Si No	Particulars	Details to be provided
9	Details of change of name, registered office and objects of the company during the last five years;	No change in name, registered office and objects of the Company during last five years
10	Name of the stock exchange (s) where securities of the company are listed, if applicable;	Not Applicable
11	Details of the capital structure of the company including authorized, issued, subscribed and paid up share capital; and	Please refer **Annexure II** given below as on March 31, 2022
12	Name of the promoters and directors along with their addresses.	Please refer schedule I and II provided above.
13	The date of the Board meeting at which the scheme was approved by the Board of directors including the name of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote/ participate on such resolution;	December 13, 2021. All the directors voted in favour of the resolution
14	Investigation or proceedings, if any, pending against the company under the Act.	No investigation or proceeding are pending against the Company under the Act
15	Details of approvals, sanctions or no-objection(s), if any, form regulatory or any other government authorities required, received or pending for the purpose scheme of compromise or arrangement.	Approval of the NCLT, RBI , IRDAI and CCI are required for the Composite Scheme of Arrangement.
16	The details of the shareholding of the Directors and Key Managerial Personnel	Please refer **Schedule III**

Annexure II - Details of Authorized, Issued, Subscribed and paid up as on 31.03.2022.

Particulars		As at 31st March 2022	
		Number of Shares	Amount (₹)
a.	Authorised		
	Equity Shares of ₹ 1 each	28,000,000,000	28,000,000,000
	Preference Shares of ₹ 100 each	100,000,000	10,000,000,000
b.	Issued		
	Equity Shares of ₹ 1 each	1,074,413,131	1,074,413,131
	Preference Shares of ₹ 100 each	50,000,000	5,000,000,000
c.	Subscribed and Paid up		
	Equity Shares of ₹ 1 each	1,074,413,131	1,074,413,131
	Preference Shares of ₹ 100 each	50,000,000	2,500,000,000*

*entire Preference shares redeemed on 12.5.2022

Background of the Companies involved in the Scheme :

Details of Shriram City Union Finance Company Limited (SCUF):

Si No	Particulars	Details to be provided
1	Details of the order of the Tribunal directing the calling, convening and conducting of the meeting a) Date of the Order b) Date, Time and Venue of the Meeting	May 11, 2022 Equity shareholders – July 6, 2022 at 10 am Secured Creditors – July 6, 2022 at 1 pm Unsecured Creditors – July 6, 2022 at 4 pm By way of video conferencing
2	Corporate Identification Number (CIN) or Global Location Number (GLN) of the company	CIN – L65191TN1986PLC012840
3	Permanent Account Number (PAN)	AAACS7703H
4	Name of the company	Shriram City Union Finance Limited
5	Date of incorporation	March 27, 1986
6	Type of the company (whether public or private or one-person company)	Public Limited Company
7	Registered office address and e-mail address;	123, Angappa Naicken Street, Chennai – 600 001 sect@shriramcity.in
8	Summary of main object as per the memorandum of association; and main business carried on by the company;	Please refer **Annexure I** given below
9	Details of change of name, registered office and objects of the company during the last five years;	No change in name, registered office of the Company during last five years
10	Name of the stock exchange (s) where securities of the company are listed, if applicable;	National Stock Exchange of India Limited and BSE Ltd
11	Details of the capital structure of the comp`any including authorized, issued, subscribed and paid up share capital; and	Please refer **Annexure II** given below
12	Name of the promoters and directors along with their addresses.	Shriram Capital Limited Shriram House, No.4, Burkit Road, T. Nagar, Chennai – 600 017 Tel :+91 44 49052500 E-mail : sect@shriram.com
13	The date of the Board meeting at which the scheme was approved by the Board of directors including the name of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote/ participate on such resolution;	December 13, 2021. All the directors voted in favour of the resolution

Si No	Particulars	Details to be provided
14	Investigation or proceedings, if any, pending against the company under the Act.	No investigation or proceeding are pending against the Company under the Act
15	Details of approvals, sanctions or no-objection(s), if any, form regulatory or any other government authorities required, received or pending for the purpose scheme of compromise or arrangement.	Approval of the Stock Exchanges, NCLT, RBI , IRDAI and CCI are required for the Composite Scheme of Arrangement.
16	The details of the shareholding of the Directors and Key Managerial Personnel	No Directors and KMP holds shares in SCUF except Company Secretary holding 11,772 shares as on March 31, 2022

Annexure I – Main Objects as per the MOA

1. To lend money on security on movable or immovable properties or any shares or securities of any nature or without security and to negotiate loans.
2. To undertake and carry on the business of financing, hire-purchase contracts relating to property or assets of any description either fixed or movable and in particular relating to Houses, Lands, Government Bonds, Goods, Chattels, Motor-cars, Motor-Buses, Motor-lorries, Auto-Rickshaws, Omnibuses, Tricycles, Scooters, Bicycles, Unicycles, Quadricycles, Velocipedes, Carriages and Vehicles of all kinds whether mechanically propelled by steam, oil, gas, petrol or electricity or otherwise, Tractors, bullion, stocks, Shares, television sets, machineries of all kinds, pump-sets, refrigerators, electric and electronic goods and on other household articles.
3. To draw, accept, endorse, discount, buy, sell and deal in bills of exchange, promissory notes, bonds Debentures and other negotiable instruments and securities.
4. To issue on commission, subscribe for, take acquire and hold, sell, exchange and deal in shares, stock, bonds, obligations or securities of any Government, local authority or Company.
5. To acquire, improve, manage, work, develop, exercise all rights in respect of leases and mortgages and to sell, dispose of, turn to account and otherwise deal with property of all kinds and in particular, land, buildings, concessions, patents, business concerns and undertakings.
6. Generally to carry on and undertake any business or operation, commonly carried on or undertaken by capitalists, financiers.
7. To borrow or take deposits of money at interest or otherwise from any person or persons, local authority or Government and advance, lend or deposit any such money or other moneys of the Company for the time being on such security or otherwise as the Company may deem expedient. But the Company shall not do any banking business, as defined in the Banking Regulations Act, 1949.
8. The Company shall either singly or in association with other Bodies Corporate-act as Asset Management Company/ Manager/ Fund Manager in respect of any scheme of Mutual Fund whether Open-End Scheme or Closed-End Scheme, floated/to be floated by any Trust/Mutual Fund (whether offshore or onshore)/Company by providing management of Mutual Fund for both offshore and onshore Mutual Funds, Financial Services consultancy, exchange of research and analysis on commercial basis.

   Constitute any trust and to subscribe and act as, and to undertake and carry on the office or offices and duties of trustees, custodian trustees, executors, administrators, liquidators, receivers, treasures, attorneys, nominees and agents; and to manage the funds of all kinds of trusts and to render periodic advice on investments, finance, taxation and to invest these funds from time to time in various forms of investments including shares, term loans and debentures etc.

   Carry on and undertake the business of portfolio investment and Management, for both individuals as well as large Corporate Bodies and/or such other bodies as approved by the Government, in Equity Shares, Preference Shares, Stock, Debentures (both convertible and non-convertible), Company deposits, bonds unit, loans, obligations and securities issued or guaranteed by Indian or Foreign Governments, States, Dominions, Sovereigns, Municipalities or Public Authorities and/or any other financial instruments, and to provide a package of Investment/Merchant Banking Services by acting as Managers to Public issue of securities, to act as underwriters, issue house and to carry on the business of Registrar to Public issue/various investment schemes and to act as Brokers to Public Issue.

   Without prejudice to the generality of the foregoing to acquire any shares, stocks, debentures, debenture- stock, bonds, units of any Mutual Fund Scheme or any other statutory body including Unit Trust of India, obligations or securities by original subscription, and/or through markets both primary, secondary or otherwise participation in syndicates, tender,

purchase, (through any stock exchange, OTC exchange or privately), exchange or otherwise and to subscribe for the same whether or not fully paid-up, either conditionally or otherwise, to guarantee the subscription thereof and to exercise and to enforce all rights and powers conferred by or incidental to the ownership thereof and to advance, deposit or lend money against securities and properties to or with any company, body corporate, firms, person or association or without security and on such terms as may be determined from time to time.

To engage in Merchant Banking activities, Venture Capital, acquisitions, amalgamations and all related merchant banking activities including loan Syndication.

9. To carry on the business as manufacturers, Exporters, Importers, Contractors, Sub-Contractors, Sellers, Buyers, Lessers or Lessees and Agents for Wind Electric Generators and Turbines, Hydro Turbines, Thermal Turbines, Solar Modules and Components and parts including Rotor Blades, Braking systems, Tower, Nacelle, Control unit, Generators, etc. and to set up Wind Farms for the company and/or other singly or jointly and also to generate, acquire by purchase in bulk, accumulate, sell distribute and supply electricity and other power (subject to and in accordance with the laws in force from time to time).

10. To carry on business of an investment Company or an Investment Trust Company, to undertake and transact trust and agency investment, financial business, financiers and for that purpose to lend or invest money and negotiate loans in any form or manner, to draw, accept, endorse, discount, buy, sell and deal in bills of exchange, hundies, promissory notes and other negotiable instruments and securities and also to issue on commission, to subscribe for, underwrite, take, acquire and hold, sell and exchange and deal in shares stocks, bonds or debentures or securities of any Government or Public Authority or Company, gold and silver and bullion and to form, promote, subsidise and assist companies, syndicates and partnership to promote and finance industrial enterprises and also to give any guarantees for payment of money or performance of any obligation or undertaking, to give advances, loans and subscribe to the capital of industrial undertakings and to undertake any business transaction or operation commonly carried on or undertaken by capitalists, promoters, financiers and underwriters.

11. To act as investors, guarantors, underwriters and financiers with the object of financing Industrial Enterprises, to lend or deal with the money either with or without interest or security including in current or deposit account with any bank or banks, other person or persons upon such terms, conditions and manner as may from time to time be determined and to receive money on deposit or loan upon such terms and conditions as the Company may approve. Provided that the Company shall not do any banking business as defined under the Banking Regulations Act, 1949.

12. To carry on in India or elsewhere the business of consultancy services in various fields, such as, general, administrative, commercial, financial, legal, economic, labour and industrial relations, public relations, statistical, accountancy, taxation and other allied services, promoting, enhancing propagating the activity of investment in securities, tendering necessary services related thereto, advising the potential investors on investment activities, acting as brokers, sub-brokers, Investment Consultant and to act as marketing Agents, General Agents, sub-agents for individuals / bodies corporate/ Institutions for marketing of shares, securities, stocks, bonds, fully convertible debentures, partly convertible debentures, non-convertible debentures, debenture stocks, warrants, certificates premium notes, mortgages, obligations, inter corporate deposits, call money deposits, public deposits, commercial papers, general insurance products, life insurance products and other similar instruments whether issued by government, semi government, local authorities, public sector undertakings, companies, corporations, co-operative societies, and other similar organizations at national and international levels.

12A. To carry out Life or General or any other insurance business operations as intermediary, Broker, Corporate Broker, Agent, Corporate Agent, Marketing Agent, Advisor and Solicitor by soliciting and servicing of insurance business for any of the insurance products whether issued by government, semi government, local authorities, public sector undertakings, companies, corporations, co-operative societies and other similar organisations directly or through Brokers, Sub-brokers, Agents at national and international levels to any person/Company/Authority including customers of the Company, Group Companies and Related Parties without participation in the risk involved in the concerned Insurance.

Annexure II – Authorised, Issued, subscribed and paid up share capital as on March 31, 2022

Particulars	**Aggregate value (₹ in lacs)**
Authorised share capital	
118,500,000 Equity Shares of ₹ 10.00 each	11,850.00
4,000,000 Cumulative Redeemable Preference Shares of ₹ 100 each	4,000.00
Issued, subscribed and paid up equity share capital	
6,66,28,016 Equity Shares of ₹ 10.00 each	6,662.80

Annexure A

COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION

BETWEEN

SHRILEKHA BUSINESS CONSULTANCY PRIVATE LIMITED

AND

SHRIRAM FINANCIAL VENTURES (CHENNAI) PRIVATE LIMITED

AND

SHRIRAM CAPITAL LIMITED

AND

SHRIRAM TRANSPORT FINANCE COMPANY LIMITED

AND

SHRIRAM CITY UNION FINANCE LIMITED

AND

SHRIRAM LI HOLDINGS PRIVATE LIMITED

AND

SHRIRAM GI HOLDINGS PRIVATE LIMITED

AND

SHRIRAM INVESTMENT HOLDINGS LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

(UNDER SECTIONS 230 TO 232 READ WITH SECTION 52 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013)

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1) PREAMBLE

This Scheme (*as defined hereafter*) is presented under Sections 230 to 232, read with Section 52, and other applicable provisions of the Act (*as defined hereinafter*) for : (i) the amalgamation of Shrilekha Business Consultancy Private Limited ("**SBCPL**") with Shriram Capital Limited ("**SCL**"); (ii) the demerger of that undertaking from SCL, which is carrying on the business of Financial Services, and the transfer and vesting thereof into Shriram Investment Holdings Limited **("SIHL")**; (iii) the demerger of those undertakings from SCL, which are carrying on the businesses of a) Life Insurance and b) General Insurance, and the transfer and vesting of the same into a) Shriram LI Holdings Private Limited **("SLIH")**, and b) Shriram GI Holdings Private Limited **("SGIH")** respectively; (iv) the amalgamation of SCL (with its remaining undertaking and investments) with Shriram Transport Finance Company Limited ("**STFC**"); and (v) the amalgamation of Shriram City Union Finance Limited ("**SCUF**") with STFC.

The Scheme also involves, incidental and ancillary to the amalgamation and demerger set out in (i) to (v) above:

(a). The cancellation of the equity share capital of Shriram Financial Ventures (Chennai) Private Limited ("**SFVPL**") held by SBCPL as set out in Part III of the Scheme;

(b). The cancellation of the preference share capital (comprised of redeemable preference shares) of SCL held by the holders of redeemable preference shares of SCL and the issue of redeemable preference shares of SIHL to the said shareholders;

(c). The cancellation of the existing equity share capital held by SCL in SIHL, SLIH and SGIH;

and for matters consequential, supplemental, and/or otherwise integrally connected therewith.

2) DESCRIPTION OF THE COMPANIES

a. **SHRILEKHA BUSINESS CONSULTANCY PRIVATE LIMITED** (hereinafter referred to as **"Transferor Company 1" or "SBCPL"**), was incorporated on the 9th day of January, 2017, in the state of Tamil Nadu under the Companies Act, 2013. The Corporate Identity Number of SBCPL is U74999TN2017PTC114086. The Transferor Company 1 is engaged in the business of holding strategic long-term investments, evaluating new opportunities and sourcing funds to meet the funding requirement of such new opportunities and to offer consultancy and related services, and such other allied business activities. The registered office of SBCPL is situated at Shriram House, No.4, Burkit Road T Nagar, Chennai - 600017.

b. **SHRIRAM FINANCIAL VENTURES (CHENNAI) PRIVATE LIMITED** (hereinafter referred to as **"SFVPL"**), was incorporated on the 28th day of February, 2011, in the state of Tamil Nadu under the Companies Act, 1956. The Corporate Identity Number of SFVPL is U67190TN2011PTC079382. SFVPL is engaged in the business of holding long term strategic investments. The registered office of SFVPL is situated at Shriram House, No.4, Burkit Road T Nagar, Chennai – 600017.

c. **SHRIRAM CAPITAL LIMITED** (hereinafter referred to as **"Transferee Company 1" or "Demerged Company" or "Transferor Company 2" or "SCL"** as the context may so require), was incorporated on the 5th April 1974, in the state of Tamil Nadu under the Companies Act, 1956 under the name and style of 'Shriram Chits and Investments Private Limited'. The name of the Company was subsequently changed to 'Shriram Financial Services Holding Limited' and then subsequently to Shriram Capital Limited on the 12th day of March, 2008. The Corporate Identity Number of SCL is U65993TN1974PLC006588. SCL is in the business of investment promotion and registered as a Systemically Important Core Investment Company (CIC) with Reserve Bank of India having registration no. N-07-00791. It is the promoter of the companies under its fold and focuses on tailoring strategies suited to the businesses carried on by these companies, facilitates investments from outside in them and in itself, infuses required capital and nurtures them to grow into developed business entities. The registered office of SCL is situated at Shriram House, No.4, Burkit Road T Nagar, Chennai - 600017.

   SCL has investments in the following entities within the Shriram Group – (i) STFC in which SCL holds 26.04% shareholding as on 25th November, 2021 ; (ii) SCUF in which SCL holds 33.86% shareholding as on 30th September, 2021; (iii) Shriram Life Insurance Company Limited ("**SLIC**"), which is involved in the business of life insurance offering life insurance plans and solutions that cater to a wider demography, in which SCL holds 74.56% as on 30th September, 2021; (iv) Shriram

General Insurance Company Limited ("**SGIC**"), which is involved in the business of General Insurance, offering a wide range of general insurance solutions including Motor, Travel, Home etc. in which SCL holds 76.63% as on 30th September, 2021; (v) Shriram Credit Company Limited ("**SCCL**") which is a Non Deposit Taking Non-Banking Financial Company registered under the RBI Act 1934, and is a wholly owned subsidiary of SCL, with SCL holding 99.99%.

SCL also has a number of wholly owned subsidiaries which include the following companies – (i) Shriram Value Services Limited (**"SVS"**), which is the company owning the brand and the logo of "Shriram" and is earning royalty income from Group companies for usage of the logo and the brand, (ii) Way2wealth Insurance Brokers Private Limited (**"Way2Wealth Insurance"**) which provides a range of risk coverage solutions for individuals, groups and corporates and is licensed by the IRDAI as a direct insurance broker, operating in both - life and general insurance; (iii) Shriram Overseas Investments Private Limited (**"SOIPL"**), which is a non-deposit accepting Non-Banking Financial Company. SBCPL and SFVPL hold 20% and 70.56% of the paid-up equity share capital of SCL respectively. Further, SBCPL holds 9.47% of the paid-up equity share capital of SFVPL.

d. **SHRIRAM CITY UNION FINANCE LIMITED** (hereinafter referred to as the **"Transferor Company 3" or "SCUF"**), was incorporated on the 27th day of March, 1986, in the state of Tamil Nadu under the Companies Act, 1956. The Corporate Identity Number of SCUF is L65191TN1986PLC012840. The Transferor Company 3 is engaged in the business of lending and is a deposit-accepting Non-Banking Financial Company (NBFC) registered with the RBI bearing registration number 07-00458, specializing in retail finance. The registered office of Shriram City Union Finance Limited is situated at 123, Angappa Naicken Street, Madras- 600001 Tamil Nadu. The equity shares and non-convertible debentures issued by SCUF are listed on the Stock Exchanges (*as defined hereinafter*).

e. **SHRIRAM TRANSPORT FINANCE COMPANY LIMITED** (hereinafter referred to as **"Transferee Company 2" or "STFC"**), was incorporated on the 30th day of June, 1979, under the Companies Act, 1956. The Corporate Identity Number of Shriram Transport Finance Company Limited is L65191TN1979PLC007874. The Transferee Company 2 is a deposit taking asset financing NBFC registered with the RBI bearing registration number 07-00459, carrying on business in the area of transport finance, particularly commercial vehicles and has a niche presence in financing pre-owned trucks and small truck owners. The registered office of Shriram Transport Finance Company Limited is situated at Sri Towers, Plot No. 14A, South Phase, Industrial Estate, Guindy, Chennai - 600032. The equity shares and non-convertible debentures issued by STFC are listed on the Stock Exchanges (*as defined hereinafter*).

f. **SHRIRAM LI HOLDINGS PRIVATE LIMITED** (hereinafter referred to as **"Resulting Company 1" or "SLIH"**), was originally incorporated on the 6th day of November, 2019 as 'Snottor Technology Services Private Limited', under the Companies Act, 2013. The name of the Company was subsequently changed to 'Shriram LI Holdings Private Limited' on the 26th day of November, 2021. The Corporate Identity Number of Shriram LI Holdings Private Limited is U72900TN2019PTC132421. The Resulting Company 1's main objective is to undertake investment business. The registered office of the Resulting Company 1 is situated at No.4, Burkit Road T Nagar, Chennai - 600017.

g. **SHRIRAM GI HOLDINGS PRIVATE LIMITED** (hereinafter referred to as **"Resulting Company 2" or "SGIH"**), was incorporated on the 25th day of September, 2019 as Oner Infotech Services Private Limited, under the Companies Act, 2013. The name of the Company was subsequently changed to 'Shriram GI Holdings Private Limited' on the 26th day of November, 2021. The Corporate Identity Number of Shriram GI Holdings Private Limited is U72900TN2019PTC131795. The Resulting Company 2's main objective is to undertake investment business. The registered office of the Resulting Company 2 is situated at No.4, Burkit Road T Nagar, Chennai - 600017.

h. **SHRIRAM INVESTMENT HOLDINGS LIMITED** (hereinafter referred to as **"Resulting Company 3" or "SIHL"**), was incorporated on the 3rd day of April, 2009, under the Companies Act, 1956. The Corporate Identity Number of Shriram Investment Holdings Limited is U65923TN2009PLC071236. The Resulting Company 3's main objective is to undertake investments and provide financial services. The registered office of the Resulting Company 3 is situated at Shriram House, No.4, Burkit Road T Nagar, Chennai – 600017.

3) OBJECTIVE AND PURPOSE OF THE SCHEME:

The Shriram Group is, *inter alia*, engaged in four different lines of businesses or verticals namely: (i) Financial Lending (ii) General Insurance (iii) Life Insurance and other (iv) Financial Services. One of the main objectives for which this Scheme is being undertaken is to re-organize the Group's businesses in order to enable focused growth strategies and capital infusion for each vertical. This is in consideration of the fact that each of these lines of businesses has significant potential for growth and profitability, but with different trajectories. Each line of business activity or vertical presents a unique set of promises and challenges, with the nature of risk and reward, significantly different from the others, with each such line of business capable of attracting different sets of investors or stakeholders. The various lines of business have, until the consideration of the proposal in the present Scheme been structured in a manner that involves the co-mingling of the different verticals to synergize operations. The

Companies involved in the present Scheme, which are a part of the Group, including SBCPL in which Piramal Enterprises Limited **('PEL')** holds 74.95% and Shriram Ownership Trust **('SOT')** holds 25.05%, keeping in mind the changing nature of the businesses and the market for them, are of the view that each line of business or vertical requires its own specially tailored management focus, with different strategies, to account for the difference in the challenges posed, as also the unique needs of each line of business. Accordingly, the Companies involved in the Scheme are of the view that segregating each of the above lines of business activities or verticals as mentioned earlier, will enable greater and more concentrated focus on each such line of business or vertical, and ensure greater business attention both from an operational perspective, and in terms of targeting and attracting a specific profile of investors and stakeholders for each of them. Further, to simplify and rationalize the structure of holdings, the Companies are of the view that while segregating the lines of business, it would also be expedient to eliminate the need for multiple holding companies in each line of business, which would also result in a leaner and more efficient structure.

In the light of the objective and purpose of the present Scheme, it is proposed to undertake the actions mentioned herein:

(a) To simplify the holding structures and layers in the group of Companies forming part of the Scheme.

(b) To focus on evolving business strategies with a specialised approach needed for a particular line of business than in a conglomerated entity having multiple businesses.

(c) To facilitate further investment opportunities from strategic investors/financial investors depending on the particular business interests and risk appetite.

(d) To achieve restructuring for shareholders of the various companies, in a manner which will unlock value for them.

(e) The proposed scheme is expected to bring in intangible benefits that the Shriram Group has generated over decades, while at the same time enhancing the scale of operations and enabling better attention and focus to be given in an integrated manner to all the businesses so as to enable achievement of their full potential.

The proposed extensive restructuring exercise *via* the Scheme is expected to bring in following benefits:

(a) Attract investment opportunities from strategic investors/financial investors who have varied business interests and risk perceptions.

(b) Provide exit opportunities to investors.

(c) Facilitate to achieve the objective of expanding the business of mutual fund, wealth management etc., which has tremendous potential, taking advantage of the popularity of the Shriram brand and the extensive retail network available.

(d) Assist the Shriram Group in building a holistic digital strategy to cater to the customer needs of the entities in Shriram Group conglomerate and chalk out a digital transformation roadmap.

4) RATIONALE OF THE SCHEME

The reasons and rationale underlying the Scheme specific to each of the concerned companies, which would make it beneficial for all the companies involved, and their respective shareholders are as follows:

a. The Transferor Company 1 and the Transferee Company 1/Demerged Company/Transferor Company 2 are both companies carrying on the business of making and holding investments in various specific lines of businesses carried on by the Group, and have both been incorporated with same/similar objects. The amalgamation of these two companies will achieve the purpose of simplifying the structure of holdings by amalgamating entities which are similar in their fields of operation and objectives, unlock value for their respective shareholders, and eliminate the need for multiple layers of entities with the same focus.

b. The proposed demerger and vesting of the three undertakings, namely (i) Life Insurance Undertaking; (ii) General Insurance Undertaking, and (iii) Financial Services Undertaking, into Resulting Companies 1, 2 and 3 respectively, from the Transferee Company 1/Demerged Company/Transferor Company 2, will enable the segregation of these lines of businesses each of which have independent requirements, strategies, focus and objectives. The demerger and vesting of these independent lines of businesses and undertakings into separate Resulting Companies, will enable those Companies to carry on each of the specialized lines of business with greater focus, tailormade strategies for operations and growth; enable the attribution of appropriate risk and valuation based on the risk-return profiles of each line of business; provide greater visibility to each of these lines of business, and enable them to attract investments.

c. The merger of Transferee Company 1/Demerged Company/Transferor Company 2 with its remaining undertaking, with Transferee Company 2, will achieve the combination of the remaining line of business activities [i.e. other than the Life Insurance, General Insurance and Financial Services] of the Transferee Company 1/Demerged Company/Transferor Company 2 with Transferee Company 2, which is a listed entity engaged in the business of financial lending. This will ensure that the companies forming part of the Group, which are focused on the business of lending are concentrated in a single large entity, which has the necessary means, presence and resources to achieve still larger scales in the business of lending, while reducing the presence of multiple entities across the Group, with an interest and presence in

the same line of business.

d. The proposal in the Scheme to amalgamate the Transferor Company 3 with the Transferee Company 2, will also serve to be highly beneficial to all the stakeholders, by bringing together the capabilities and the presence of the Group in the categories of transport finance, and retail finance, and in the process create a larger financial lending entity with both these businesses combined, and the resulting benefits of scale and synergies of operation. This proposed merger will further consolidate the leadership position of Transferee Company 2 in the 'Commercial Vehicle' market. Following the proposed merger, and by virtue of the Transferor Company 3's extensive understanding of credit culture, the amalgamated entity will be able to launch retail finance products in locations that the Transferor Company 3 has not been able to penetrate. The combination of the operations of these two entities with their own vast networks of customers, will uniquely position the Group to ensure that each line of business is expanded to its fullest potential on the strength of a larger, amalgamated entity. This process will help in consolidating the vast branch network of these two companies and is likely to provide a variety of retail lending under a single window with attendant saving of expenditure.

e. All the Transferor Companies, the Resulting Companies and the Transferee Companies, are under the Shriram umbrella, with SOT holding 25.05% of the shareholding of the Transferor Company 1. The demerger and amalgamation contemplated in the Scheme would only strengthen and reinforce the management of these Companies, while creating a dedicated leadership and management for each of the lines of business or verticals.

f. Being companies forming part of the same conglomerate, the amalgamation and demerger contemplated in the Scheme, would create entities that are unique to each of the lines of business activities carried on by the Group, while also enabling consolidation and lead to a more efficient utilization of capital, and create a consolidated base for the future growth of the various entities.

g. The amalgamation envisaged in the Scheme will also enable appropriate consolidation of the activities of the Transferor Companies and the Transferee Companies with pooling and more efficient utilization of their resources, greater economies of scale, cost synergy, ease of regulatory compliances and improvement in various operating parameters, in addition to enabling the carrying on of each of the businesses in a more efficient, streamlined and organized fashion.

5) TREATMENT OF THE SCHEME FOR THE PURPOSE OF THE INCOME-TAX ACT, 1961

The provisions of Part III – Section I, Part III – Section IV and Part III – Section V of this Scheme are drawn up to comply with the conditions relating to "Amalgamation" as

specified under Section 2(1B) of the Income Tax Act, 1961. If any of the terms or provisions of the aforesaid Parts of this Scheme is/are found or interpreted to be inconsistent with the provisions of Section 2(1B) of the Income Tax Act, 1961 at a later date including as a result of a retrospective amendment of law or for any other reason, the Scheme shall stand modified accordingly, to the extent determined necessary to comply with the provisions of Section 2(1B) of the Income Tax Act, 1961. Such modifications will not however affect the other parts of the Scheme.

The provisions of Part III – Section II and Part III – Section III of this Scheme are drawn up to comply with the conditions relating to "Demerger" as defined under Section 2(19AA) of the Income-tax Act, 1961. If any of the terms or provisions of the aforesaid Parts of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason, the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961. Such modifications will however not affect the other parts of the Scheme.

6) PARTS OF THE SCHEME

The Scheme is divided into the following parts:

- **Part I** – Definitions & Interpretation
- **Part II** – Capital Structure
- **Part III** –

  Section I -Amalgamation of the Transferor Company 1 with Transferee Company 1, issue of shares of Transferee Company 1 to the shareholders of Transferor Company 1; the consequential cancellation of the equity shares held by Transferor Company 1 in SFVPL;

  Section II - Demerger of the Financial Services Undertaking (*defined hereinafter*) of the Demerged Company into Resulting Company 3, the consequential cancellation of the redeemable preference share capital of the Demerged Company, and the issue of shares of the Resulting Company 3 to the shareholders of the Demerged Company;

  Section III – Demerger of the Life Insurance Undertaking and General Insurance Undertaking (*defined hereinafter*) of the Demerged Company into Resulting Company 1 and Resulting Company 2 respectively, and the issue of shares of the Resulting Companies 1 and 2 to the shareholders of the Demerged Company;

  Section IV – Amalgamation of the Transferor Company 2 with Transferee Company 2, and issue of shares of the Transferee Company 2 to the shareholders of the Transferor Company 2.

Section V - Amalgamation of the Transferor Company 3 with Transferee Company 2, and the issue of shares of the Transferee Company 2 to the shareholders of the Transferor Company 3.

Section VI – Allotment of shares on account of increase in Transferor Company 2 shareholding.

- **Part IV** –Increase in the Authorized Capital of the Transferee Company 2 and the Resulting Companies.
- **Part V** – General Terms & Conditions

Each Section of Part III of this Scheme shall be deemed to have taken effect as specifically provided for, and in the sequence set out, in the Scheme.

Section I of Part III of the Scheme will take effect on the Effective Date 1, but with effect from the Appointed Date. The remaining parts of Part III of the Scheme, and Part IV of the Scheme will take effect on the Effective Date 2, but with effect from the Appointed Date, such that on the Appointed Date, Section I of Part III of the Scheme will take effect first, followed by the remaining parts of Part III of the Scheme, and Part IV of the Scheme.

Provided however that if any Part of the Scheme as sanctioned, cannot be given effect to or implemented, then no other Part of the Scheme will be deemed to have become effective.

PART - I

DEFINITIONS & INTERPRETATION

1.1 DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meanings as mentioned herein below:

(a) **"Accounting Standards"** means the Indian Accounting Standards as notified under Section 133 of the Act read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, issued by the Ministry of Corporate Affairs and the other accounting principles generally accepted in India;

(b) **"Act"** or **"the Act"** means the Companies Act, 2013, and rules made thereunder and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force as may be applicable;

(c) **"Applicable Law"** means relevant and applicable central, state and local laws of the Republic of India, which includes applicable statute(s), law(s), regulation(s), ordinance(s), rule(s), judgement(s), order(s), decree(s), clearance(s), approval(s), directive(s), guideline(s), requirement(s) or any similar form of determination by or decision of any Governmental Authority, whether in effect as of the date on which this Scheme has been approved by the Board of the companies concerned, or at any time thereafter;

(d) "**Appointed Date"** shall mean the 1st of April 2022;

(e) **"Board of Directors"** or **"Board"** shall mean the Board of Directors or any committee thereof of the Transferor Companies, SFVPL, Demerged Company, Resulting Companies, and Transferee Companies, as the context requires;

(f) **"Book Value(s)"** shall, for the purpose of Part III, mean the value(s) of the assets and liabilities of the Transferor Companies/Demerged Company, as appearing in their books of accounts, at the close of the business as on the day immediately preceding the Appointed Date and excluding any value arising out of revaluation.

(g) **"Business Day"** shall mean any day apart from a Saturday or a Sunday, on which banks are open for business in Chennai, India.

(h) **"Court"** or **"Tribunal"** means the National Company Law Tribunal ("**NCLT**") or the National Company Law Appellate Tribunal ("**NCLAT**") as constituted and

authorized as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under Sections 230 to 232 of the Companies Act, 2013, and shall include *inter-alia* the Benches of the NCLT having jurisdiction over the respective Transferor Companies, Demerged Company, Resulting Companies, SFVPL, and the Transferee Companies;

(i) **"Companies"** means the Transferor Companies, SFVPL, Demerged Company, Resulting Companies and the Transferee Companies collectively.

(j) "**Core Investment Company**" or "**CIC**" has the meaning assigned to such term in the 'Master Direction – Core Investment Companies (Reserve Bank) Directions, 2016', as amended from time to time.

(k) **"Demerged Company"**, shall, for the purposes of this Scheme and in particular Section II and Section III of Part III, mean SCL.

(l) **"Demerged Insurance Undertakings"** shall, for the purposes of this Scheme and in particular Sections II and III of Part III, mean the Life Insurance Undertaking and General Insurance Undertaking of the Demerged Company, collectively.

(m) **"Effective Date 1"** shall for the purpose of Section I of Part III of the Scheme, be no later than the 10th day from the date on which the certified copy of the order of the NCLT sanctioning the Scheme of Arrangement and Amalgamation becomes available, and on such date, the certified copy of the order of the NCLT sanctioning the Scheme will be filed with the Registrar of Companies by the Transferor Company 1 and Transferee Company 1, and various actions set out in Section I of Part III of the Scheme, will be undertaken and be given effect to by the Companies. Any reference in Part III – Section I of the Scheme to the "Effective Date", "Scheme becoming effective" or "On the Scheme becoming effective" or "Upon the Scheme becoming effective" or "Effectiveness of the Scheme" shall be construed as references to the "Effective Date 1".

(n) **"Effective Date 2",** shall for the purpose of Sections II, III, IV, V and VI of Part III and Part IV of the Scheme, be no later than the 25th day from the date on which the certified copies of the order of the NCLT sanctioning the Scheme of Arrangement and Amalgamation becomes available, and on such date, the certified copy of the order of the NCLT sanctioning the Scheme will be filed with the Registrar of Companies by the Transferor Company 3, Resulting Companies and Transferee Company 2, and various actions set out in Sections II, III, IV, V and VI of Part III of

the Scheme and Part IV of the Scheme will be undertaken and be given effect to by the Companies.. Any references in Sections II, III, IV, V and VI of Part III of the Scheme, and in Part IV of the Scheme to any of the following: the "Effective Date", "Scheme becoming effective" or "On the Scheme becoming effective" or "Upon the Scheme becoming effective" or "Effectiveness of the Scheme" shall be construed as references to the "Effective Date 2".

Provided however that if any Part of the Scheme as sanctioned, cannot be given effect to or implemented, then no other Part of the Scheme will be deemed to have become effective.

(o) "**ESOP 1**" shall mean the Transferor Company 3's employee stock option plans as approved by the Board of Directors of the Transferor Company 3 and its shareholders as per the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time.

(p) "**ESOP 2**" means the Transferee Company 2's employee stock option plan that shall be established by the Transferee Company 2 as per the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time.

(q) **"Financial Services Undertaking"** shall mean all the businesses, undertakings, activities, properties, assets and liabilities (including but not limited to, contingent liabilities, guarantees and indemnities), of whatsoever nature and kind and wheresoever situated, pertaining and/or relating to the Demerged Company's interest in the line of business involving financial services and the Demerged Company's strategic investment in its subsidiaries, namely, SCCL, SVS, SOIPL and Way2Wealth Insurance (collectively, "**Financial Services Undertaking Subsidiaries**"), which carry on the business of providing financial services and other ancillary businesses; and shall include specifically the following:

(i) the businesses, all secured and unsecured debts, liabilities, duties and obligations and all the assets, properties, rights, title and benefits, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed), all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, strategic investments (including investments in the Financial Services Undertaking Subsidiaries), reserves, provisions, funds, licenses, registrations,

accreditations to trade and industrial bodies, leases, licenses, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, Software Licenses, Domain / Websites etc., in connection with or relating to the Financial Services Undertaking and other claims and powers, of whatsoever nature and wheresoever situated belonging to, or in the possession of, or granted in favour of, or enjoyed by the Demerged Company with respect to the Financial Services Undertaking, as on the Appointed Date.

(ii) all employees of/related to the Financial Services Undertaking as on the Effective Date and whose services are transferred to the Resulting Company 3 and contributions, if any, made towards any provident fund, employees state insurance, gratuity fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees, together with such of the investments made by these Funds, which are referable to such employees.

(iii) All legal [whether civil or criminal], taxation or other proceedings or investigations of whatsoever nature [including those before any Governmental Authority] that pertain to the Financial Services Undertaking of the Demerged Company, initiated by or against the Demerged Company with respect to the Financial Services Undertaking or proceedings or investigations to which the Demerged Company is a party which relate to the Financial Services Undertaking, including arbitration proceedings involving the Demerged Company with respect to the Financial Services Undertaking, whether pending as on the Appointed Date or which may be instituted any time after the Appointed Date, but before the Effective Date.

(iv) All rates, taxes, duties, cess etc., that are allocable, or referable or related to the Financial Services Undertaking of the Demerged Company, including all or any

refunds, interest due thereon, and all credits, refunds, interest and claims etc., relating thereto.

(v) All books, records, files, papers, information, databases, catalogues, quotations, advertising materials, lists of present and former credit, and all other books and records, whether in physical or electronic form, of the Financial Services Undertaking of the Demerged Company.

(r) **"Governmental Authority"** means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or committee of any Court, Tribunal, board, bureau, instrumentality, judicial or quasi-judicial or arbitral body having jurisdiction over the territory of India, including *inter-alia* any authority constituted under, exercising any powers or functions in relation to the Transferor Companies, Demerged Company, Resulting Companies, SFVPL, and/or the Transferee Companies.

(s) **"Group"** shall mean the Shriram Group of Companies.

(t) **"General Insurance Undertaking"** shall mean all the businesses, undertakings, activities, properties, assets and liabilities (including but not limited to, contingent liabilities, guarantees and indemnities), of whatsoever nature and kind and wheresoever situated, pertaining and/or relating to the Demerged Company's interest in the line of business involving General Insurance, and the Demerged Company's strategic investment in SGIC, and shall include specifically the following (i) its business, all secured and unsecured debts, liabilities, duties and obligations and all the assets, properties, rights, title and benefits, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed), all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, strategic investments (including its investment in SGIC), reserves, provisions, funds, licenses, registrations, accreditations to trade and industrial bodies, leases, licenses, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements,

powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, Software Licenses, Domain / Websites etc., in connection with or relating to the General Insurance Undertaking and other claims and powers, of whatsoever nature and wheresoever situated, belonging to, or in the possession of, or granted in favour of, or enjoyed by the Demerged Company with respect to the General Insurance Undertaking, as on the Appointed Date.

(ii) all employees of/related to the General Insurance Undertaking as on the Effective Date and whose services are transferred to the Resulting Company 2 and contributions, if any, made towards any provident fund, employees state insurance, gratuity fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees, together with such of the investments made by these Funds, which are referable to such employees.

(iii) All legal [whether civil or criminal], taxation or other proceedings or investigations of whatsoever nature [including those before any Governmental Authority] that pertain to the General Insurance Undertaking of the Demerged Company, initiated by or against the Demerged Company with respect to the General Insurance Undertaking or proceedings or investigations to which the Demerged Company is a party which relate to the General Insurance Undertaking, including arbitration proceedings initiated by or against the Demerged Company with respect to the General Insurance Undertaking, whether pending as on the Appointed Date or which may be instituted any time after the Appointed Date, but before the Effective Date.

(iv) All rates, taxes, duties, cess etc., that are allocable, or referable or related to the General Insurance Undertaking, including all or any refunds, interest due thereon, and all credits, refunds, interest and claims etc., relating thereto.

(v) All books, records, files, papers, information, databases, catalogues, quotations, advertising materials, lists of present and former credit, and all other books and records, whether in physical or electronic form, of the General Insurance Undertaking.

(u) "**IRDAI**" means the Insurance Regulatory and Development Authority of India established under Section 3 of the Insurance Regulatory and Development Authority Act, 1999;

(v) "**IRDAI Regulations**" shall mean the IRDAI (Transfer of Equity Shares of Insurance Companies) Regulations, 2015;

(w) **"Life Insurance Undertaking"** shall mean all the businesses, undertakings, activities, properties, assets and liabilities (including but not limited to, contingent liabilities, guarantees and indemnities), of whatsoever nature and kind and wheresoever situated, pertaining and/or relating to the Demerged Company's interest in the line of business involving Life Insurance, and the Demerged Company's strategic investment in SLIC, and shall include specifically the following (i) its business, all secured and unsecured debts, liabilities, duties and obligations and all the assets, properties, rights, title and benefits, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed), all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, strategic investments (including its investment in SLIC), reserves, provisions, funds, licenses, registrations, accreditations to trade and industrial bodies, leases, licenses, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, receivables, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, Software Licenses, Domain / Websites etc., in connection with or relating to the Life Insurance Undertaking and other claims and powers, of whatsoever nature and wheresoever situated belonging to, or in the possession of, or granted in favour of, or enjoyed by Demerged Company with respect to the Life Insurance Undertaking, as on the Appointed Date.

(ii) all employees of/related to the Life Insurance Undertaking as on the Effective Date and whose services are transferred to the Resulting Company 1 and contributions, if any, made towards any provident fund, employees state insurance, gratuity fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees, together with such of the investments made by these Funds, which are referable to such employees.

(iii) All legal [whether civil or criminal], taxation or other proceedings or investigations of whatsoever nature [including those before any Governmental Authority] that pertain to the Life Insurance Undertaking of the Demerged Company, initiated by or against the Demerged Company with respect to the Life Insurance Undertaking or proceedings or investigations to which the Demerged Company is a party which relate to the Life Insurance Undertaking, including arbitration proceedings initiated by or against the Demerged Company with respect to the Life Insurance Undertaking, whether pending as on the Appointed Date or which may be instituted any time after the Appointed Date, but before the Effective Date.

(iv) All rates, taxes, duties, cess etc., that are allocable, or referable or related to the Life Insurance Undertaking, including all or any refunds, interest due thereon, and all credits, refunds, interest and claims etc., relating thereto.

(v) All books, records, files, papers, information, databases, catalogues, quotations, advertising materials, lists of present and former credit, and all other books and records, whether in physical or electronic form, of the Life Insurance undertaking.

(x) **"Listed NCDs"** shall mean the non-convertible debentures issued by Transferor Company 3 and listed on the Stock Exchanges, the details of which are, as required in the SEBI Master Circular on Scheme of Arrangement by Listed Entities, fully set out in **Annexure A** to the Scheme.

(y) **"Record Date 1"** shall mean the date to be fixed by the Board of Directors of the Transferee Company 1 for the purpose of determining the shareholders of the Transferor Company 1 to whom equity shares of the Transferee Company 1 will be allotted in terms of Section I of Part III of the Scheme; and shall not be earlier than the Effective Date 1.

(z) **"Record Date(s) 2"** shall mean the date(s) to be fixed by the Board of Directors of the Resulting Companies 1, 2 and 3, and the Transferee Company 2 for the purpose

of determining the shareholders of the Transferor Company 2, Demerged Company, and Transferor Company 3, to whom equity Shares and/or preference Shares will be allotted by the Resulting Companies 1, 2 and 3, and the Transferee Company 2, as may be applicable, and which date(s) shall not be earlier than the Effective Date 2.

(aa) "**Redeemable Preference Shares**" shall mean redeemable preference shares issued by the Transferor Company 2/Demerged Company to the holders of such redeemable preference shares and which remain outstanding as on the Effective Date 2;

(bb) **"Remaining Undertaking"** shall mean all the remaining businesses, undertakings, activities, properties, assets and liabilities (including but not limited to, contingent liabilities, guarantees and indemnities), of whatsoever nature and kind and wheresoever situated, pertaining and/or relating to the Demerged Company, upon the completion and taking effect of the demerger of the Financial Services Undertaking, Life Insurance Undertaking and General Insurance Undertaking to the concerned Resulting Companies, in terms of this Scheme.

(cc) **"Resulting Companies"** shall mean the Resulting Company 1, Resulting Company 2 and Resulting Company 3, collectively, as the context may so require.

(dd) "**Scheme**" or "**the Scheme**" or "**this Scheme**" means this Composite Scheme of Arrangement and Amalgamation in its present form or with any modification(s) approved or imposed or directed by the NCLT or any Governmental Authority/regulatory authorities.

(ee) "**SEBI**" means the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992.

(ff) "**SEBI LODR Regulations**" shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

(gg) "**SEBI Master Circular on Schemes of Listed Companies"** shall mean the master circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under sub-rule (7) of Rule 19 of the Securities Contracts (Regulation) Rules, 1957 issued by SEBI dated November 23, 2021, as amended from time to time.

(hh) "**Stock Exchanges**" means collectively the BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE"**);

(ii) **"Transferee Companies"** means the Transferee Company 1 and Transferee Company 2, collectively, as the context may so require.

(jj) **"Transferor Companies"** means the Transferor Company 1, Transferor Company 2 & Transferor Company 3, collectively, as the context may so require;

(kk) **"Undertakings"** shall mean and include the whole of the business and undertakings of the Transferor Companies, as a going concern, including:

(i) their businesses, all secured and unsecured debts, liabilities (including but not limited to, contingent liabilities, guarantees and indemnities), duties and obligations and all the assets, properties, rights, title and benefits, whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building (whether owned, leased, licensed), all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, strategic investments, reserves, provisions, funds, licenses, registrations, accreditations to trade and industrial bodies, leases, licenses, tenancy rights, premises, ownership flats, hire purchase and lease arrangements, lending arrangements, benefits of security arrangements, computers, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements (including those entered into with the Stock Exchanges, and registrations with any concerned Governmental Authority, including but not limited to any licenses granted by the RBI), powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, receivables, deposits, funds, employee stock options and pension schemes, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, Software Licenses, Domain / Websites etc., in connection with or relating to the Transferor Companies and other claims and powers, of whatsoever nature and wheresoever situated, belonging to, or in the possession of, or granted in favour of, or enjoyed by the Transferor Companies, as on the Appointed Date.

(ii) all employees of the Transferor Companies engaged in or in relation to the Transferor Companies as on the Effective Date and whose services are transferred to the Transferee Companies and contributions, if any, made towards

any provident fund, life insurance premiums (and associated benefits), general insurance premiums (and associated benefits) employees state insurance, gratuity fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such employees, together with such of the investments made by these Funds, which are referable to such employees.

(iii) All legal [whether civil or criminal], taxation or other proceedings or investigations of whatsoever nature [including those before any Governmental Authority] that pertain to any of the Transferor Companies, initiated by or against the Transferor Companies or proceedings or investigations to which any of the Transferor Companies are party, including arbitration proceedings with respect to the subscribers of the respective Transferor Companies, whether pending as on the Appointed Date or which may be instituted any time after the Appointed Date, but before the Effective Date.

(iv) The existing offices or places of business, of the Transferor Companies in various States, along with all the necessary approvals already obtained from the concerned Governmental Authorities, including the Registrar of Companies having jurisdiction, for the purpose of carrying on business.

(v) All rates, taxes, duties, cess etc., that are allocable, or referable or related to the Transferor Companies, including all or any refunds, interest due thereon, and all credits, refunds, interest and claims etc., relating thereto.

(vi) All books, records, files, papers, information, databases, catalogues, quotations, advertising materials, lists of present and former credit, and all other books and records, whether in physical or electronic form, of the Transferor Companies.

1.2 <u>INTERPRETATION:</u>

In this Scheme, unless the context otherwise requires:

(a) references to "upon this Scheme becoming effective" or "effectiveness of this Scheme" shall mean the Effective Date 1, or Effective Date 2 of the Scheme, as the case may be;

(b) references to the singular include a reference to the plural and *vice-versa* and reference to any gender includes a reference to all other genders;

(c) reference to persons shall include individuals, bodies corporate [wherever incorporated or unincorporated], associations and partnerships;

(d) headings are inserted for the ease of reference and shall not affect the construction or interpretation of the Scheme;

(e) the Annexure(s) to the Scheme shall form an integral and inseparable part of this Scheme;

(f) references to the words "including", "inter-alia" or any other similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

(g) 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 ascribed to them under the Act and other Applicable Laws, rules, regulations and bye-laws as the case may be, including any statutory modification or re-enactment thereof from time to time.

(h) Any reference to any section of the Act shall be deemed to be a reference to that Section of the Companies Act, 2013.

PART II

CAPITAL STRUCTURE

2.1 The authorized, issued, subscribed, and paid-up share capital of the Transferor Company 1 - SBCPL as on 30.09.2021 is

Particulars	As at 30th September 2021	
	Number	Amount
a. Authorised		
Equity Shares of Rs. 1 each	100,000,000	100,000,000
b. Issued		
Equity Shares of Rs. 1 each	83,034,830	83,034,830
c. Subscribed and Paid up		
Equity Shares of Rs. 1 each	83,034,830	83,034,830

2.2 The authorized, issued, subscribed, and paid-up share capital of SFVPL as on 30.09.2021 is

Particulars	As at 30th September 2021	
	Number	Amount
a. Authorised		
Equity Shares of Rs. 10 each	1,000,000	10,000,000
b. Issued, Subscribed and Paid up		
Equity Shares of Rs. 10 each	791,712	7,917,120

2.3 The authorized, issued, subscribed, and paid-up share capital of the Transferee Company 1/Demerged Company/Transferor Company 2 – SCL as on 30.09.2021 is

Particulars	As at 30th September 2021	
	Number	Amount
a. Authorised		
Equity Shares of Rs. 1 each	28,000,000,000	28,000,000,000

Preference Shares of Rs. 100 each	100,000,000	10,000,000,000
b. Issued		
Equity Shares of Rs. 1 each	1,074,413,131	1,074,413,131
Preference Shares of Rs. 100 each	50,000,000	5,000,000,000
c. Subscribed and Paid up		
Equity Shares of Rs. 1 each	1,074,413,131	1,074,413,131
Preference Shares of Rs. 100 each	50,000,000	3,125,000,000

2.4 The authorized, issued, subscribed, and paid-up share capital of the Transferor Company 3 – SCUF as on 30.09.2021 is

Particulars	**As at 30th September 2021**	
	Number	**Amount**
a. Authorised		
Equity Shares of Rs. 10 each	118,500,000	1,185,000,000
Preference Shares of Rs. 100/- each	4,000,000	400,000,000
b. Issued. Subscribed and Paid Up		
Equity Shares of Rs. 10 each	66,062,334	660,623,340
Preference Shares of Rs. 100/- each	0	0

2.5 The authorized, issued, subscribed, and paid-up share capital of the Transferee Company 2 – STFC as on 30.09.2021 is

Particulars	**As at 30th September 2021**	
	Number	**Amount**
a. Authorised		
Equity Shares of Rs. 10 each	647,000,000	6,470,000,000
Preference Shares of Rs. 100/- each	95,000,000	9,500,000,000
b. Issued, Subscribed and, Fully Paid up Equity Shares		
Issued Equity Shares of Rs. 10 each	268,789,754	2,687,897,540
Subscribed Equity Shares of Rs. 10 each	268,783,613	2,687,836,130
Fully Paid up Equity Shares of Rs. 10 each	268,783,613	2,687,836,130

Issued, Subscribed and paid-up Share Capital of Transferee Company 2 has increased by 1,736,100 equity shares of Rs.10 each on conversion of warrants into Equity Shares on 25.11.2021 and the increased paid-up capital stands at Rs.2,705,197,130/- as on that date.

2.6 The authorized, issued, subscribed, and paid-up share capital of the Resulting Company 1 – SLIH as on 30.09.2021 is

Particulars	**As at 30th September 2021**	
	Number	**Amount**
a. Authorised		
Equity Shares of Rs. 10 each	150,000	1,500,000
b. Issued, Subscribed and, Fully Paid up Equity Shares		
Equity Shares of Rs. 10 each	10,000	100,000

Subsequent to 30.09.2021, the Resulting Company 1 has undertaken steps for change in Face Value of its equity shares from Rs.10 each to Re.1 each.

2.7 The authorized, issued, subscribed, and paid-up share capital of the Resulting Company 2 – SGIH as on 30.09.2021 is

Particulars	**As at 30th September 2021**	
	Number	**Amount**
(a) Authorised		
Equity Shares of Rs. 10 each	100,000	1,000,000
(b) Issued, Subscribed and, Fully Paid up Equity Shares		
Equity Shares of Rs. 10 each	10,000	100,000

Subsequent to 30.09.2021, the Resulting Company 2 has undertaken steps for change in Face Value of its equity shares from Rs.10 each to Re.1 each.

2.8 The authorized, issued, subscribed, and paid-up share capital of the Resulting Company 3 – SIHL as on 30.09.2021 is

Particulars	As at 30th September 2021	
	Number	Amount
(c) Authorised		
Equity Shares of Rs. 10 each	2,500,000	25,000,000
(d) Issued, Subscribed and, Fully Paid up Equity Shares		
Equity Shares of Rs. 10 each	2,250,000	22,500,000

Subsequent to 30.09.2021, the Resulting Company 3 has undertaken steps for change in Face Value of its equity shares from Rs.10 each to Re.1 each.

PART III

SECTION I

AMALGAMATION OF TRANSFEROR COMPANY 1 WITH TRANSFEREE COMPANY 1:

3.1 Upon the coming into effect of this Scheme, and with effect from the Appointed Date, the Transferor Company 1, shall, together with all of its movable assets, investments, licenses, benefits, entitlements, incentives, concessions, contracts, intellectual property, employees, proceedings, rates, duties, cess, books & records as also the liabilities, shall subject to the provisions of Clause 3.2 hereof in relation to the mode of vesting, without any further act or deed, in accordance with Sections 230 to 232 of the Act and all other applicable provisions of law, be transferred to and vested in and shall be deemed to have been transferred to and vested in the Transferee Company 1, as a going concern.

3.2 Without prejudice to the generality of the foregoing paragraph, upon the Scheme becoming effective, on and from the Appointed Date:

MOVABLE ASSETS & INVESTMENTS

3.2.1 In respect of such assets of the Transferor Company 1, as are moveable in nature or are otherwise capable of transfer by delivery of possession, payment or by endorsement and delivery, the same shall be transferred to and vested in Transferee Company 1 and shall become the property of the Transferee Company 1. The vesting pursuant to this paragraph shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and the title to the property shall be deemed to have been transferred accordingly, without requiring execution of any deed or instrument of conveyance for the same.

3.2.2 In respect of such assets of the Transferor Company 1 as are or represent Investments registered and/or held in any form by or beneficial interest wherein is owned by the Transferor Company 1, the same shall stand transferred/transmitted to and vested in the Transferee Company 1, together with all rights, benefits, and interest therein or attached thereto, without any further act or deed, and thereupon the Transferor Company 1 shall cease to be the registered and/or the beneficial owner of such investments. The Transferor Company 1 shall be deemed to be holding such investments for and on behalf of and in trust for and for the benefit of the Transferee Company 1 and all profits or dividends and other rights or benefits accruing/paid/distributed on such investments and all taxes thereon, or losses arising or expenses incurred relating to such investments, shall, for all intent and purposes, be treated as the profits, dividends, rights, benefits, taxes, losses, or expenses, as the case may be, of the Transferee Company 1.

3.2.3 In respect of such of the moveable assets belonging to the Transferor Company 1 other than those specified in Clauses 3.2.1 and 3.2.2 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances and deposits, if any, the same shall [notwithstanding whether there is any specific provision for transfer of credits, assets or refunds under any Applicable Law, wherever applicable], without any further act, instrument or deed by the Transferor Company 1 or the Transferee Company 1 or the need for any endorsements, stand transferred from the Transferor Company 1 to and in favour of the Transferee Company 1. Any security, lien, encumbrance, or charge created over any assets in relation to the loans, debentures or borrowings or any other dues of the Transferor Company 1, shall, without any further act or deed, stand transferred to the benefit of the Transferee Company 1, which will have all the rights of the Transferor Company 1 to enforce such security, lien, encumbrance or charge, by virtue of this Scheme.

LICENSES

3.2.4 Licenses relating to the Transferor Company 1, if any, shall stand transferred to and vested in the Transferee Company 1, without any further act or deed by the Transferor Company 1 or the Transferee Company 1 and be in full force and effect in favour of the Transferee Company 1 as if the same, were originally given to, issued to or executed in favour of the Transferee Company 1 and the Transferee Company 1 shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company 1.

3.2.5 Any and all approvals obtained by the Transferor Company 1 for the purpose of carrying on any business, shall inure to the benefit of the Transferee Company 1, and the Transferee Company 1 shall be entitled to continue these operations from these various locations, without having to obtain any further approvals, or undertake any further processes, under any Applicable Law.

BENEFITS, ENTITLEMENTS, INCENTIVES AND CONCESSION

3.2.6 All benefits, entitlements, incentives and concessions under incentive schemes and policies that the Transferor Company 1 are entitled to, including under service tax, Goods and Services Tax (including the Integrated Goods and Services Tax input tax credit, Central Goods and Services Tax input tax credit and State Goods and Services Tax input tax credit), VAT, sales tax and income tax laws, shall to the extent statutorily available and along with associated obligations, stand transferred to and

vested in and be available to the Transferee Company 1, as if the Transferee Company 1 was originally entitled to all such benefits, entitlements, incentives and concessions. All cheques (including post-dated cheques, subject to complying with procedural requirements under Applicable Law, if any) and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company 1, shall on and from the Effective Date stand transferred to, and without any further, act or deed, be treated as having been issued to or by the Transferee Company 1, and shall be accepted by the bankers of the Transferee Company 1 and credited to the account of the Transferee Company 1. Any standing instructions concerning payment obligations, or ENACH forms signed by the Transferor Company 1 shall be deemed to have been issued or signed by the Transferee Company 1, and the concerned authority to whom such instructions have been provided or forms signed shall accept the same.

CONTRACTS

3.2.7 All contracts of the Transferor Company 1, including without limitation, documents & agreements relating to creation of security, subsisting or having effect immediately before the Effective Date, shall stand transferred to and vested in the Transferee Company 1 and be in full force and effect in favour of the Transferee Company 1 and may be enforced by or against it as fully and effectually as if, instead of the Transferor Company 1, the Transferee Company 1 had been a party or beneficiary thereto.

3.2.8 All guarantees provided by any bank in favour of the Transferor Company 1 outstanding as on the Effective Date, shall vest in the Transferee Company 1 and shall ensure to the benefit of the Transferee Company 1 and all guarantees issued by the bankers of the Transferor Company 1 favouring any third party shall be deemed to have been issued at the request of the Transferee Company 1 and continue in favour of such third party till its maturity or earlier termination.

3.2.9 It shall not be necessary to obtain the consent of any third party or other person, who is a party to any such contract or arrangement to give effect to the provisions of this paragraph.

EMPLOYEES:

3.2.10 All the employees in the service of the Transferor Company 1, shall be deemed to have become the employees of the Transferee Company 1, with effect from the Appointed Date, and shall stand transferred to the Transferee Company 1, without any interruption of service and on terms and conditions no less favourable than

those on which they are engaged by the Transferor Company 1 as on the Effective Date, including in relation to the level of remuneration and contractual and statutory benefit, incentive plans, terminal benefits, gratuity plans, provident plans, employee stock option and pension schemes, insurance plans, and any other retirement benefits.

3.2.11 In the event of retrenchment of such employees, the Transferee Company 1 shall be liable to pay compensation in accordance with law on the basis that the services of the employees shall have been continuous and shall not have been interrupted by reason of such transfer.

3.2.12 It is provided that as far as the Provident Fund, Gratuity, Pension, Insurance benefits, Superannuation Fund or any other special funds that are applicable to the employees of the Transferee Company 1 and existing in the Transferee Company 1 for the benefit of the employees of the Transferee Company 1, the same shall also be extended to the employees of the Transferor Company 1, upon the Scheme becoming finally effective.

3.2.13 All contributions made by the Transferor Company 1, on behalf of its employees, and all contributions made by the employees including the interest arising thereon, to the funds standing to the credit of such employees' account with such funds, shall, upon this Scheme becoming effective, be transferred to the funds maintained by the Transferee Company 1 along with such of the investments made by such funds which are referable and allocable to the employees, and the Transferee Company 1 shall stand substituted for the Transferor Company 1 with regard to the obligation to make the said contributions.

3.2.14 In relation to those employees for whom the Transferor Company 1 is making contributions to the Government provident fund, the Transferee Company 1 shall stand substituted in its place, for all purposes, including in relation to the obligation to make contributions to such funds in accordance with the provisions of such funds, bye-laws etc., in respect of the employees.

3.2.15 The Transferee Company 1 shall continue to abide by the agreement(s) and settlement(s) entered into with the employees of the Transferor Company 1, if any, in terms of such agreement(s) and settlement(s) subsisting on the Effective Date, in relation to the employees.

PROCEEDINGS

3.2.16 With effect from the Appointed Date and upon the Scheme becoming effective, all suits, actions and proceedings of whatsoever nature by or against the Transferor Company 1, shall, on the Effective Date, be continued and enforced by or against the Transferee Company 1.

3.2.17 Upon the Scheme becoming effective the name of the Transferor Company 1 shall stand substituted by the name of the Transferee Company 1 in any pending dispute or arbitral proceedings, and the Transferee Company 1 shall be entitled to continue the proceedings, in its name, from the stage at which the proceedings stand, as on the Effective Date.

3.2.18 The Transferee Company 1 undertakes to have all legal or other proceedings initiated by or against the Transferor Company 1, in respect of matters referred above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company 1 to the exclusion of the Transferor Company 1.

LIABILITIES, DEBTS, OBLIGATIONS & SECURITY:

3.2.19 With effect from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description relatable to the Transferor Company 1 shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company 1, so as to become, with effect from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company 1 and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.

3.2.20 Where any of the liabilities and obligations/assets attributed to the Transferor Company 1 on the Appointed Date have been discharged/ sold by the Transferor Company 1 after the Appointed Date and prior to the Effective Date, such discharge/sale shall be deemed to have been for and on behalf of the Transferee Company 1.

3.2.21 Any payment or discharge of any liabilities, debts or obligations pertaining to the Transferor Company 1 by the Transferee Company 1 shall be deemed to have been made for and on behalf of the Transferor Company 1, and shall constitute a valid discharge.

3.2.22 This Scheme shall not operate to enlarge or extend the security for any of the liabilities of the Transferor Company 1 and the Transferee Company 1 shall not be obliged to create any further or additional security therefor, after the Effective Date, unless otherwise agreed to by the Transferee Company 1.

3.2.23 In so far as the existing security in respect of the Liabilities is concerned, such security shall, without any further act, instrument or deed be modified and shall be extended to, and shall operate only over the assets forming part of the Undertakings of the Transferor Company 1 which have been charged and secured, and subsisting as on the Effective Date, in respect of the Liabilities. Provided that if any of the assets of the Transferor Company 1 have not been charged or secured in respect of the Liabilities, such assets shall remain unencumbered and the existing security referred to above shall not be extended to, and shall not operate over such assets.

TAX TREATMENT

3.2.24 All taxes, rates, duties, fees, cess etc., that are allocable, referable or related to the Transferor Company 1 and payable, whether due or not, from the Appointed Date, including all advance tax payments, tax deducted at source, tax liabilities, tax obligations or any refunds, credits and claims shall, for all intent and purposes, be treated as the liability, obligations or refunds, credit and claims, as the case may be, of the Transferee Company 1.

3.2.25 Further, it will be deemed that the benefit of any tax credits whether central, state or local, availed by the Transferor Company 1 and the obligations, if any, for payment of taxes on any assets etc. shall be deemed to have been availed by Transferee Company 1.

3.2.26 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess receivable/payable by the Transferor Company 1, including all or any refunds/credit/claims/tax losses /unabsorbed depreciation relating thereto shall be treated as the asset/liability or refunds/credit/claims/tax losses /unabsorbed depreciation, as the case may be, of the Transferee Company 1.

3.2.27 The Transferee Company 1 is expressly permitted to revise its tax returns, either electronically or physically, including tax deducted at source (TDS) certificates/ returns, wealth tax returns, service tax, excise duty, sales tax, value added tax, entry tax, cess, professional tax or any other statutory returns, if required, and shall be entitled to claim credit for advance tax paid, claim for sum(s) prescribed under Section 43B of the Income Tax Act, 1961 on payment basis, claim for deduction of

provisions written back by Transferee Company 1 previously disallowed in the hands of Transferor Company 1 under the Income Tax Act, , 1961 credit of tax under section 115JB read with section 115JAA of the Income Tax Act, , 1961 credit of foreign tax paid/withheld, if any, pertaining to Transferor Company 1 consequent to implementation of this Scheme and where necessary to give effect to this Scheme, even if the prescribed time limit for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum to claim refunds, advance tax credits, excise and service tax credits, set off, etc., on the basis of the accounts of the Transferor Company 1 upon the coming into effect of this Scheme.

3.2.28 It is also clarified that the Transferee Company 1 shall have the right to claim refunds, tax credits, set-offs and/or adjustments relating to the income or transactions it has entered into, by virtue of this Scheme with effect from the Appointed Date. The taxes or duties paid by, for, or on behalf of the Transferor Company 1, relating to the period on or after Appointed Date, shall be deemed to be the taxes or duties paid by the Transferee Company 1, which shall be entitled to claim credit or refund for such taxes or duties.

BOOKS AND RECORDS

3.2.29 All books, records, files, papers, catalogues, quotations, advertising materials, if any, lists of present and former clients, subscribers, and all other books and records, whether in physical or electronic form, of the Transferor Company 1, to the extent possible and permitted under any Applicable Law, be handed over by them to the Transferee Company 1.

CONDUCT OF BUSINESS TILL THE EFFECTIVE DATE:

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

(a) The Transferor Company 1 shall carry on, and be deemed to have been carrying on, all business activities and shall hold and stand possessed, and shall be deemed to have held and stood possessed, of all the assets, rights, title, interest, authorities, contracts, investments, decisions for and on account of, and in trust for, the Transferee Company 1.

(b) All profits or income or taxes, including but not limited to income tax, fringe benefit tax, advance taxes, tax deducted at source by or on behalf of the Transferor Company 1, minimum alternate tax credit, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, wealth tax, sales tax,

value added tax, excise duty, service tax, Goods and Service Tax, customs duty, refund, reliefs, etc., accruing or arising to the Transferor Company 1, or losses arising or expenditure incurred by it, on and from Appointed Date up to the Effective Date, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure or the taxes of the Transferee Company 1.

(c) The Transferor Company 1 shall carry on its business activities with proper prudence and diligence and shall not, without prior written consent of the Transferee Company 1, alienate, charge or otherwise deal with or dispose off any of its business Undertaking(s) or any part thereof (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Company 1 prior to the Appointed Date).

(d) The Transferor Company 1 shall be permitted to make modification to its capital structure, either by an increase (by issue of rights shares, bonus shares, convertible debentures or otherwise), decrease, reclassification, sub-division or reorganisation or in any other manner, whatsoever, in the normal course of business or in pursuance of this Scheme, without having to seek the explicit consent of the Board of Directors of the Transferee Company 1.

(e) The Transferor Company 1 shall not vary, except in the ordinary course of business, the terms and conditions of the employment of their employees without the consent of the Board of Directors of the Transferee Company 1.

(f) All assets acquired, leased or licensed, benefits, entitlements, incentives and concessions granted, contracts entered into, liabilities incurred and proceedings initiated or made party to, between the Appointed Date and the Effective Date by the Transferor Company 1 shall be deemed to be transferred to and vested in the Transferee Company 1. For avoidance of doubt, where any of the Liabilities as on the Appointed Date [deemed to have been transferred to the Transferee Company 1] have been discharged by the Transferor Company 1, on or after the Appointed Date, but before the Effective Date, such discharge shall be deemed to have been for and on behalf of the Transferee Company 1 for all intent and purposes and under any Applicable Law.

(g) With effect from the Effective Date, the Transferee Company 1 shall carry on and shall be authorized to carry on the business of the Transferor Company 1 and till such time as the name of the account holder in the bank accounts of the Transferor

Company 1 is substituted by the bank in the name of the Transferee Company 1, the Transferee Company 1 shall be entitled to operate such bank accounts of the Transferor Company 1, in its name, in so far as may be necessary.

(h) To the extent possible, pending sanction of this Scheme, the Transferor Company 1 or the Transferee Company 1 shall be entitled to apply to the relevant Governmental Authorities and other third parties, concerned, as may be necessary under any law or contract for transfer or modification of such consents, approvals and sanctions which the Transferee Company 1 may require to own and carry on the business of the Transferor Company 1, with effect from the Effective Date and subject to this Scheme being sanctioned.

(i) For the purpose of giving effect to the order passed under Sections 230 to 232 of the Act, in respect of this Scheme, by the NCLT, the Transferee Company 1 shall, upon the Scheme becoming effective, be entitled to get the record of the change in the legal right(s) standing in the names of the Transferor Company 1, in its favour in accordance with such order and the provisions of the Act, and Applicable Laws.

3.3 **ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY 1**

Upon effectiveness of the Scheme and with effect from the Appointed Date, the Transferee Company 1 shall account for the amalgamation of the Transferor Company 1 into the Transferee Company 1 as under:

3.3.1 The Transferee Company 1 shall record the assets and liabilities of the Transferor Company 1 vested in it pursuant to this Scheme as prescribed under the Indian Accounting Standards as notified under Section 133 of the Act, read together with Paragraph 3 of the Companies (Indian Accounting Standards) Rules, 2015.

3.3.2 The investment in Transferee Company 1 held by Transferor Company 1 and transferred to Transferee Company 1 pursuant to the Scheme would get cancelled with a corresponding adjustment to 'Equity' (as per the principles of Indian Accounting Standards) of the Transferee Company 1.

3.3.3 The investment in SFVPL held by Transferor Company 1 and transferred to Transferee Company 1 pursuant to the Scheme would get cancelled with a corresponding adjustment to 'Equity' (as per the principles of Indian Accounting Standards) of the Transferee Company 1.

3.4 **CONSIDERATION**

3.4.1 In consideration of the amalgamation of the Transferor Company 1 along with its Undertakings with the Transferee Company 1, which includes (i) the shareholding held by the Transferor Company 1 in Transferee Company 1; and (ii) the shareholding held by Transferor Company 1 in SFVPL, which is the holding company of the Transferee Company 1, and considering that the shares held in SFVPL cannot legally be vested in Transferee Company 1 in terms of Section 19 of the Act, the shareholders of the Transferor Company 1 whose names are reflected in the Register of Members of the Transferor Company 1 as on Record Date 1, will be entitled to be allotted shares of the Transferee Company 1, in the following manner:

For every 1,00,00,000 (One Crore) fully paid equity shares of Re. 1/- [One] each, held in the Transferor Company 1, the shareholders of the Transferor Company 1 will be entitled to 3,45,27,799 (Three Crores Forty Five Lakhs Twenty Seven Thousand Seven Hundred and Ninety Nine) fully paid equity shares of Re. 1/- [One] each of the Transferee Company 1.

3.4.2 In view of the fact that, the paid up equity shares of SFVPL held by the Transferor Company 1, cannot be held by the Transferee Company 1 as already stated above, the shares held by the Transferor Company 1 in SFVPL shall stand cancelled as set out in Clause 3.6.1 of the Scheme. As a consequence, the extent of the shareholding held by SFVPL in the Transferee Company 1, will stand altered from 75,81,19,281 (Seventy Five Crores Eighty One Lakhs Nineteen Thousand Two Hundred and Eighty One) fully paid equity shares of Re.1/- each to 68,63,30,294 (Sixty Eight Crores Sixty Three Lakhs Thirty Thousand Two Hundred and NinetyFour) fully paid equity shares of Re.1/- each, and no consideration whatsoever in any manner would be paid/payable for cancellation of the shares held by SFVPL in the Transferee Company 1.

Consequent to the issue of shares by Transferee Company 1 as mentioned in Clause 3.4.1 above, and the cancellation of the fully paid up equity share capital as mentioned in Clauses 3.6 and 3.8 of the Scheme, Transferee Company 1's equity share capital shall stand altered from 1,146,202,118 (One Hundred Fourteen Crores Sixty Two Lakhs Two Thousand One Hundred and Eighteen) fully paid equity shares of Re.1/- each to 1,074,413,131 (One Hundred Seven Crores Forty Four Lacs Thirteen Thousand One Hundred and Thirty One) fully paid equity shares of Re.1/- each.

3.4.3 The equity shares to be issued and allotted under the Scheme by the Transferee Company 1 as above shall be subject to the Memorandum of Association and Articles of Association of the Transferee Company 1. The equity shares issued by the Transferee Company 1 shall rank pari passu in all respects, including dividends,

voting and other rights, with the existing equity shares of the Transferee Company 1. In case the number of new shares to be issued by the Transferee Company 1 pursuant to this Scheme is a fractional number, it shall be rounded off to the nearest whole number. The Board of Directors of the Transferee Company 1 shall, if and to the extent required, apply for and obtain any approvals from concerned Government / Regulatory authorities for the issue and allotment of equity shares pursuant to this Scheme. The approval of this Scheme by the shareholders of the Companies involved, under Sections 230 to 232 of the Act shall be deemed to constitute approvals under Sections 13, 14, and other applicable provisions of the Act and any other consents and approvals required in this regard. If there are any pending transfers, whether lodged or outstanding, of any shareholders of the Transferor Company 1, the Board of Directors of the Transferee Company 1 shall be empowered in appropriate cases, prior to or even subsequent to the Record Date 1, to effectuate such a transfer in the records of the Transferor Company 1, as if such changes in the registered holder were operative as on the Record Date 1, in order to remove any difficulties arising to the holder/transferee of the shares in the Transferor Company 1 and in relation to the equity shares to be issued by the Transferee Company 1 after this Scheme becoming effective.

ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY 1:

Pursuant to the Scheme and as per Clause 3.4.2, the Transferee Company 1 would cancel the paid-up equity share capital held by SFVPL with a corresponding adjustment to 'Equity' (as per the principles of Indian Accounting Standards).

3.5 **SAVING OF CONCLUDED TRANSACTIONS**:

The transfer and vesting of the Transferor Company 1 with and into the Transferee Company 1 under Part III - Section I of this Scheme, shall not affect any transaction or proceedings already completed or Liabilities incurred by the Transferor Company 1, either prior to, or on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company 1 shall accept and adopt all acts, deeds and things done and executed by or on behalf of the Transferor Company 1, in respect thereto as acts, deeds and things done and executed by and on behalf of itself.

3.6 **CANCELLATION OF EQUITY SHARES HELD BY TRANSFEROR COMPANY 1 IN SFVPL:**

3.6.1 As an integral part of the Scheme and as a consequence of the Transferor Company 1 being amalgamated with Transferee Company 1, with all of its Undertakings which includes the shareholding held by the Transferor Company 1 in SFVPL, and

considering that the Transferee Company 1 is a subsidiary of SFVPL, and in terms of the Act, cannot hold shares in SFVPL, upon the Scheme becoming effective in the manner set out hereunder, the entire paid up equity shares held by Transferor Company 1 in SFVPL, shall as an integral part of the Scheme, and without any further act, deed, consent or approval or consideration, stand cancelled, by operation of law. As a consequence of such cancellation, the paid-up equity share capital of SFVPL shall stand altered from Rs.79,17,120 (Indian Rupees Seventy Nine Lakhs Seventeen Thousand One Hundred and Twenty only) divided into 7,91,712 (Seven lakh ninety one thousand seven hundred and twelve) equity shares of Rs. 10/- (Rupees ten only) each to Rs.71, 67, 420/- (Indian Rupees Seventy One Lakhs Sixty Seven Thousand Four Hundred and Twenty Only) divided into 7,16,742 (Seven lakh Sixteen Thousand Seven Hundred and Forty Two) equity shares of Rs. 10/- (Rupees ten only) each.

3.6.2 The cancellation of the paid-up equity share capital of SFVPL as set out above, shall be given effect to as an integral part of the Scheme, without the requirement of any separate procedure being adopted for the same, and no consideration whatsoever in any manner would be paid/payable for cancellation of such shares.

3.6.3 Until the Effective Date, the Transferor Company 1 would be eligible to enjoy all the benefits in the capacity of shareholder of SFVPL.

3.7 **ACCOUNTING TREATMENT IN THE BOOKS OF SFVPL:**

Pursuant to the Scheme and as per Clause 3.6, SFVPL would reduce the value of equity shares cancelled with a corresponding adjustment to 'Equity' (as per the principles of Indian Accounting Standards).

Pursuant to the Scheme and as per Clause 3.4.2, SFVPL would reduce the investment in the Transferee Company 1 to the extent of shares cancelled and charge the same to the profit and loss account.

3.8 **CANCELLATION OF EQUITY SHARES HELD BY TRANSFEROR COMPANY 1 IN THE TRANSFEREE COMPANY 1**

3.8.1 On the Scheme becoming effective, and by virtue of the amalgamation of the Transferor Company 1 with the Transferee Company 1, the equity shares of the Transferee Company 1 held by the Transferor Company 1 shall stand cancelled. As a consequence, the entire shareholding of the Transferor Company 1 in Transferee Company 1, shall, as an integral part of the Scheme, stand cancelled, and no separate sanction of the NCLT in this regard shall be required.

3.9 **DISSOLUTION OF THE TRANSFEROR COMPANY 1:**

Subject to an order being made by the NCLT under Sections 230 to 232 of the Act, the Transferor Company 1 shall stand dissolved without the process of winding up on the Scheme becoming effective in accordance with the provisions of the Act and the Rules made thereunder.

PART - III

SECTION – II

(A) DEMERGER AND VESTING OF THE FINANCIAL SERVICES UNDERTAKING FROM THE DEMERGED COMPANY TO RESULTING COMPANY 3

3.10 Upon the coming into effect of this Scheme, and with effect from the Appointed Date, the Financial Services Undertaking of the Demerged Company, shall subject to the provisions of Clause 3.11 hereof in relation to the mode of vesting, without any further act or deed, in accordance with Sections 230 to 232 of the Act and all other applicable provisions of law, be transferred to and vested in and shall be deemed to have been transferred to and vested in the Resulting Company 3.

3.11 Without prejudice to the generality of the foregoing paragraph, upon the Scheme becoming effective, on and from the Appointed Date:

MOVABLE ASSETS, IMMOVABLE PROPERTIES & INVESTMENTS

3.11.1 In respect of such of the assets of the Financial Services Undertaking, as are movable in nature and/or otherwise capable of transfer by manual or constructive delivery and/or by endorsement and delivery, the same shall stand transferred by the Demerged Company to the Resulting Company 3, upon the coming into effect of this Scheme pursuant to the applicable provisions of the Act without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of the Resulting Company 3**.**

3.11.2 In respect of assets other than those dealt with above, the same shall stand transferred to and vested in the Resulting Company 3, without any notice or other intimation to any person in pursuance of the relevant provisions of the Act to the end and intent that the right of the Demerged Company to recover or realize the same stands transferred to the Resulting Company 3. The Resulting Company 3 shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be, that the said debt,

receivable, bill, credit, loan, advance or deposit stands transferred to and vested in the Resulting Company 3 and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes.

3.11.3 All immovable properties of the Demerged Company, pertaining to its Financial Services Undertaking [i.e. land together with the buildings and structures standing thereon or under construction, whether freehold, leasehold, leave and licensed or otherwise], including any tenancies in relation to office space, guest houses and residential premises including those provided to/occupied by the employees and all documents of title, rights and easements in relation thereto and all plant and machineries constructed or embedded or attached to any such immovable properties and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties, shall stand transferred to and vested in the Resulting Company 3, without any further act or deed done/executed or being required to be done/executed by the Resulting Company 3. The Resulting Company 3 shall be entitled to exercise and enjoy all rights and privileges attached to the immovable properties and shall be liable to pay the ground rent and taxes and fulfill all obligations and be entitled to all rights in relation to or as applicable to such immovable properties.

3.11.4 Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme, all the rights, title, interest and claims of the Demerged Company in any leasehold/leave and licence/right of way properties of the Demerged Company in relation to the Financial Services Undertaking, shall, pursuant to the relevant provisions of the Act, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to or vested in the Resulting Company 3 on the same terms and conditions.

3.11.5 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon the coming into effect of this Scheme, all permits, licenses, permissions, right of way, approvals, clearances, consents, benefits, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, issued to or granted to or executed in favour of the Demerged Company, and the rights and benefits under the same, in so far as they relate to the Financial Services Undertaking and all quality certifications and approvals, trademarks, trade names, service marks, copyright, domain names, designs, research and studies, technical knowhow and other intellectual properties and all other interests relating to the goods or services being dealt with by the Financial Services Undertaking and the benefit of all statutory and

regulatory permissions, environmental approvals and consents, registration or other licenses, and consents acquired by the Demerged Company in relation to the Financial Services Undertaking shall be transferred to and vested in the Resulting Company 3 and the concerned licensors and grantors of such approvals, clearances, permissions, etc., shall endorse, where necessary, and record, in accordance with law, the Resulting Company 3 on such approvals, clearances, permissions so as to empower and facilitate the approval and vesting of the Financial Services Undertaking of the Demerged Company in the Resulting Company 3 and continuation of operations pertaining to the Financial Services Undertaking of the Demerged Company in the Resulting Company 3 without hindrance and that such approvals, clearances and permissions shall remain in full force and effect in favour of or against the concerned Resulting Company 3, as the case may be, and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company 3 had been a party or beneficiary or obligee or obligor thereto.

3.11.6 All assets, estate, rights, title, interest and authorities acquired by the Demerged Company after the Appointed Date and prior to the Effective Date for operation of the Financial Services Undertaking shall also stand transferred to and vested in the Resulting Company 3 upon the coming into effect of this Scheme.

3.11.7 Upon coming into effect of this Scheme, all debts, duties, obligations and liabilities (including contingent liabilities) of the Demerged Company relating to the Financial Services Undertaking shall without any further act, instrument or deed be and stand transferred to the Resulting Company 3 and shall thereupon become the debts, duties, obligations and liabilities of the Resulting Company 3, which it undertakes to meet, discharge and satisfy to the exclusion of the Demerged Company and to keep the Demerged Company indemnified at all times from and against all such debts, duties, obligations and liabilities and from and against all actions, demands and proceedings in respect thereto. 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, obligations, duties and liabilities have arisen in order to give effect to the provisions of this clause.

3.11.8 In so far as loans and borrowings of the Demerged Company are concerned with respect to the Financial Services Undertaking, the loans and borrowings and such amounts pertaining to the Financial Services Undertaking and further, the loans and borrowings, if any which are of a general or multipurpose nature, such loans and borrowings, in the same proportion, which the value of the assets pertaining to the Financial Services Undertaking bears to the total value of assets of the Demerged

Company, if any, which are to be transferred to the Resulting Company 3 in terms of Clause 3.11, shall, without any further act or deed, become loans and borrowings of the Resulting Company 3, and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in and shall be exercised by or against the Resulting Company 3 as if it had entered into such loans and incurred such borrowings. Subject to the above, from the Effective Date, the Resulting Company 3 alone shall be liable to perform all obligations in respect of the liabilities of the Financial Services Undertaking as the borrower/issuer thereof, and the Demerged Company shall not have any obligations in respect of the said liabilities.

3.11.9 Where any of the liabilities and obligations of the Demerged Company as on the Appointed Date, relating to the Financial Services Undertaking, deemed to be transferred to the Resulting Company 3, have been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company 3 and all liabilities and obligations incurred by the Demerged Company for the operations of the Financial Services Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of the Resulting Company 3 and to the extent of their outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Resulting Company 3 and shall become the liabilities and obligations of the Resulting Company 3 which shall meet, discharge and satisfy the same.

3.11.10 Any claims, liabilities or demands arising on account of the Financial Services Undertaking of the Demerged Company which relates to the period prior to the Appointed Date but arises at any time after the Effective Date shall be entirely borne by the Resulting Company 3.

3.11.11 Subject to the other provisions of this Scheme, in so far as the assets of the Financial Services Undertaking are concerned, the security, pledge, existing charges and mortgages, over such assets, to the extent they relate to any loans or borrowings of the Demerged Insurance Undertakings and Remaining Undertaking of the Demerged Company shall, without any further act, instrument or deed be released and discharged from the same and shall no longer be available as security, pledge, charges and mortgages in relation to those liabilities of the Demerged Company which are not transferred to the Resulting Company 3.

3.11.12 In so far as the assets of the of the Demerged Company in relation to the Demerged Insurance Undertakings and Remaining Undertaking are concerned, the

security, pledge, existing charges and mortgages over such assets, to the extent they relate to any loans or borrowings of the Financial Services Undertaking shall, without any further act, instrument or deed be released and discharged from such security, pledge, charges and mortgages. The absence of any formal amendment which may be required by a bank and/or financial institution in order to affect such release shall not affect the operation of this clause.

3.11.13 In so far as the existing security in respect of the loans of the Demerged Company and other liabilities relating to the Demerged Company with respect to the Demerged Insurance Undertakings and Remaining Undertaking are concerned, such security shall, without any further act, instrument or deed be continued with the Demerged Company only on the assets remaining with the Demerged Company.

3.11.14 Without prejudice to the provisions of the foregoing clauses, the Demerged Company and the Resulting Company 3 shall enter into and execute such other deeds, instruments, documents and/or writings and/or do all acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the concerned Registrar of Companies, to give formal effect to the provisions of this clause and foregoing clauses, if required.

3.11.15 Upon the coming into effect of this Scheme, the Demerged Company alone shall be liable to perform all obligations in respect of all debts, liabilities, duties and obligations pertaining to the Demerged Company in relation to the Demerged Insurance Undertakings and Remaining Undertaking, and the Resulting Company 3 shall not have any obligations in respect of the Demerged Insurance Undertakings and Remaining Undertaking of the Demerged Company.

3.11.16 The foregoing provisions shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security documents, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

3.11.17 It is hereby clarified that all assets and liabilities of the Financial Services Undertaking, which are set forth in the closing balance sheet of Demerged Company as on the close of business hours on the date immediately preceding the Appointed Date, shall be transferred at values appearing in the books of account of Demerged Company as on the Appointed Date.

LEGAL PROCEEDINGS

3.11.18 Upon the coming into effect of this Scheme, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company, under any statute, whether pending on the Appointed Date, or which may be instituted any time in the future and in each case relating to the Financial Services Undertaking, shall be continued and enforced by or against the Resulting Company 3 after the Effective Date.

3.11.19 The Resulting Company 3 shall have all legal or other proceedings initiated by or against the Demerged Company with respect to the Financial Services Undertaking, transferred into its name and to have the same continued, prosecuted and enforced by or against the Resulting Company 3 to the exclusion of the Demerged Company.

CONTRACTS, DEEDS, ETC.

3.11.20 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Financial Services Undertaking to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall be in full force and effect by or against or in favour of the Resulting Company 3, as the case may be, and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company 3 had been a party or beneficiary or obligee or obligor thereto.

3.11.21 Notwithstanding the fact that vesting of the Financial Services Undertaking occurs by virtue of this Scheme itself, the Resulting Company 3 may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Resulting Company 3 will, if necessary, also be a party to the above. The Resulting Company 3 shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company to be carried out or performed.

SAVING OF CONCLUDED TRANSACTIONS

3.11.22 The transfer and vesting of the assets, liabilities and obligations of the Demerged Company with respect to the Financial Services Undertaking under Clause 3.11 hereof and the continuance of the proceedings by or against the Resulting Company 3 under Clause 3.11.18 hereof shall not affect any transactions or proceedings already completed by the Demerged Company on or after the Appointed Date, to the end and intent that the Resulting Company 3 accepts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company as acts, deeds and things made, done and executed by and on behalf of the Resulting Company 3.

EMPLOYEES

3.11.23 Upon the coming into effect of this Scheme, all the employees relating to the Financial Services Undertaking that were employed by the Demerged Company, immediately before the Effective Date, shall become employees of the Resulting Company 3 without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable to such employees relating to the Financial Services Undertaking of the Demerged Company immediately prior to the demerger of such Financial Services Undertaking.

3.11.24 the Resulting Company 3 agrees that the service of all employees pertaining to the Financial Services Undertaking with the Demerged Company up to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible in the Demerged Company up to the Effective Date. The Resulting Company 3 further agrees that for the purpose of payment of any retrenchment compensation, gratuity, employee stock option and pension schemes, or other terminal benefits, such past service with the Demerged Company, shall also be taken into account and agrees and undertakes to pay the same as and when payable.

3.11.25 Upon the coming into effect of this Scheme, the Resulting Company 3 shall make all the necessary contributions for such transferred employees relating to their respective Financial Services Undertaking, and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. The Resulting Company 3 will also file relevant intimations in respect of their Financial Services Undertaking to the statutory authorities concerned who shall take the same on record and substitute the name of the Resulting Company 3 for the Demerged Company.

3.11.26 In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by the Demerged Company for employees of the Financial Services Undertaking are concerned, such proportion of the funds, contributions to the funds or the scheme or the investments made into the funds relatable to the employees pertaining to the Financial Services Undertaking as on the Effective Date, who are being transferred along with the Financial Services Undertaking in terms of the Scheme, upon the coming into effect of this Scheme, shall be transferred to the necessary funds, schemes or trusts of the Resulting Company 3 and till the time such necessary funds, schemes or trusts are created by the Resulting Company 3, all contributions shall continue to be made to the existing funds, schemes or trusts of the Demerged Company.

CONDUCT OF THE FINANCIAL SERVICES UNDERTAKING FOR THE RESULTING COMPANY 3

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

3.11.27 The Demerged Company shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Financial Services Undertaking and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all the estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions of the Financial Services Undertaking for and on account of, and in trust for the Resulting Company 3;

3.11.28 all profits and income accruing or arising to the Demerged Company from the Financial Services Undertaking, and any cost, charges, losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) relating to the Financial Services Undertaking shall, for all purposes, be treated as and be deemed to be the profits income, losses or expenditure, as the case may be, of the Resulting Company 3;

3.11.29 any of the rights, powers, authorities, privileges, attached, related or pertaining to the Financial Services Undertaking exercised by the Demerged Company shall be deemed to have been exercised by the Demerged Company for and on behalf of, and in trust for and as an agent of the Resulting Company 3. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Financial Services Undertaking that have been undertaken or

discharged by the Demerged Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Resulting Company 3;

3.11.30 The Demerged Company undertakes that it will preserve and carry on the business relating to the Financial Services Undertaking with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber the Financial Services Undertaking or any part thereof or recruit new employees or conclude settlements with union or employees or undertake substantial expansion or change the general character or nature of the business of the Financial Services Undertaking or any part thereof save and except in each case:

(a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme; or
(b) if the same is expressly permitted by this Scheme; or
(c) if the prior written consent of the Board of Directors of the Resulting Company 3 has been obtained.

3.11.31 The Demerged Company and/ or the Resulting Company 3 shall be entitled, pending sanction of the Scheme, to apply to the Central/State Government(s), regulatory/local/administrative bodies and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Resulting Company 3 may require to carry on the business of the Financial Services Undertaking.

TAX CREDITS

3.11.32 The Resulting Company 3 will be the successor of the Demerged Company vis-à-vis the Financial Services Undertaking. Hence, it will be deemed that the benefit of any tax credits whether central, state or local, availed vis- à-vis the Financial Services Undertaking and the obligations, if any, for payment of taxes on any assets of the Financial Services Undertaking, shall be deemed to have been availed by the Resulting Company 3 or as the case may be deemed to be the obligations of the Resulting Company 3.

3.11.33 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess receivable/payable by the Demerged Company relating to the Financial Services Undertaking including all or any refunds/credit/claims/tax losses /unabsorbed depreciation relating thereto shall be

treated as the asset/liability or refunds/credit/claims/tax losses /unabsorbed depreciation, as the case may be, of the Resulting Company 3.

3.11.34 The Resulting Company 3 is expressly permitted to revise its tax returns, electronically or physically, after taking credit for taxes paid including tax deducted at source (TDS) certificates/ returns, wealth tax returns, service tax, excise duty, sales tax, value added tax, GST, entry tax, cess, professional tax or any other statutory returns, if required, and shall be entitled to claim credit for advance tax paid, claim for sum(s) prescribed under Section 43B of the Income Tax Act, 1961 on payment basis, claim for deduction of provisions written back by the Demerged Company pertaining to Financial Services Undertaking previously disallowed in the hands of the Demerged Company under the Income Tax Act, 1961 credit of tax under section 115JB read with section 115JAA of the Income Tax Act, 1961 credit of foreign tax paid/withheld, if any, pertaining to Financial Services Undertaking of the Demerged Company, consequent to implementation of this Scheme and where necessary to give effect to this Scheme, even if the prescribed time limit for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum to claim refunds, advance tax credits, excise and service tax credits, set off, etc., on the basis of the accounts of the Financial Services Undertaking of the Demerged Company, upon the coming into effect of this Scheme.

CONSIDERATION:

3.11.35 Upon coming into effect of this Scheme and in consideration for the demerger, transfer and vesting of the Financial Services Undertaking of the Demerged Company into the Resulting Company 3, in terms of this Scheme, the shareholders of the Demerged Company, whose names are reflected in the Register of Members of the Demerged Company as on Record Date 2 (which will also include the shareholders of Transferor Company 1, who have been allotted shares of the Transferee Company 1/Demerged Company, in terms of Part III – Section I of the Scheme), will be entitled to be allotted shares in the following manner:

For every 1 fully paid equity shares of Re. 1 [One] each, held by the shareholders of the Demerged Company in the Demerged Company, the shareholders of the Demerged Company will be entitled to 1 fully paid equity shares of Re. 1 [One] each in Resulting Company 3.

3.11.36 The equity shares to be issued and allotted under the Scheme by the Resulting Company 3 shall be subject to its Memorandum of Association and Articles of Association. The equity shares issued by the Resulting Company 3 shall rank pari

passu in all respects, including dividends, voting and other rights, with its existing equity shares. In case the number of new shares to be issued by Resulting Company 3 pursuant to this Scheme is a fractional number, it shall be rounded off to the nearest whole number. The Board of Directors of the Resulting Company 3, shall, if and to the extent required, apply for and obtain any approvals from concerned Government / Regulatory authorities for the issue and allotment of equity shares pursuant to this Scheme. The approval of this Scheme by the shareholders of all the concerned companies under Sections 230 to 232 of the Act, shall be deemed to constitute the approvals as may be required under any other applicable provisions of the Act and any other consents and approvals required in this regard.

ACCOUNTING TREATMENT

3.11.37 The Financial Services Undertaking of the Demerged Company and Resulting Company 3 shall comply with generally accepted accounting practices in India, provisions of the Act and Accounting Standards as notified by Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following:

3.12 **ACCOUNTING TREATMENT IN THE BOOKS OF DEMERGED COMPANY:**

3.12.1 With effect from the Appointed Date, the assets, liabilities and the reserves pertaining to the Financial Services Undertaking of the Demerged Company being transferred to the Resulting Company 3 shall be derecognized at values appearing in the books of account of the Demerged Company as on the Appointed Date with a corresponding reduction in the securities premium and/or retained earnings.

3.12.2 Upon the Scheme becoming effective, the inter-company balances, if any, appearing in the books of accounts of the Demerged Company pertaining to the Financial Services Undertaking and the Resulting Company 3, shall stand cancelled.

3.12.3 Pursuant to the Scheme and as per Clause 3.14, the Demerged Company would cancel its investment in the Resulting Company 3 and charge the same to profit and loss account.

3.13 **ACCOUNTING TREATMENT IN THE BOOKS OF THE RESULTING COMPANY 3:**

3.13.1 Upon effectiveness of the Scheme and with effect from the Appointed Date, transfer of the Financial Services Undertaking of the Demerged Company shall be accounted for in the books of Resulting Company 3, applying the pooling of interests method in accordance with Appendix C to Ind AS 103- Business Combinations.

3.13.2 The Resulting Company 3 shall record the assets and liabilities of the Financial Services Undertaking of the Demerged Company vested in it pursuant to the Scheme, at their respective carrying values.

3.13.3 The identity of the reserves transferred of the Financial Services Undertaking shall be preserved and shall appear in the financial statements of the Resulting Company 3 in the same form in which they appeared in the financial statements of the Demerged Company with respect to the Financial Services Undertaking.

3.13.4 Pursuant to the Scheme and as per Clause 3.14, the Resulting Company 3 would cancel its paid-up equity share capital held by the Demerged company with a corresponding adjustment to 'Equity' (as per the principles of Indian Accounting Standards)

3.13.5 In respect of new shares to be issued by Resulting Company 3, pursuant to the Scheme, as consideration, the Resulting Company 3 shall reflect the aggregate face value of shares issued as its equity share capital account.

3.13.6 The surplus/deficit, if any between the value of Net Assets (Excess of Value of Assets over Value of Liabilities) and reserves pertaining to the Financial Services Undertaking of the Demerged Company, and the amount of equity share capital issued shall be added to/ reduced from the capital reserve/ reserve on demerger, as the case may be.

3.14 **CANCELLATION OF DEMERGED COMPANY'S EQUITY SHAREHOLDING IN RESULTING COMPANY 3**

3.14.1 On the Scheme becoming effective, the equity shares of the Resulting Company 3 held by the Demerged Company shall stand cancelled. Accordingly, the entire extent of the shareholding of the Demerged Company in Resulting Company 3, shall, as an integral part of the Scheme, stand cancelled, and no separate sanction of the NCLT in this regard shall be required.

(B) CANCELLATION OF PREFERENCE SHARE CAPITAL OF THE DEMERGED COMPANY

3.15 Upon the Scheme becoming effective, with effect from the Appointed Date, and following the implementation of Part III - Section I and Part III - Section II of the Scheme, the Redeemable Preference Shares, if any, held by the holders of Redeemable Preference Shares of the Demerged Company will stand cancelled without any further act, instrument or deed.

3.16 On effecting the cancellation of the Redeemable Preference Shares in terms of Clause 3.15, the share certificates in respect of the said Redeemable Preference Shares held by the holders of preference shares shall also be deemed to have been cancelled. Pursuant to the cancellation, any arrears of dividend on the said Redeemable Preference Shares or any other liability, whether present or contingent, upon the Scheme becoming effective, shall abate and there shall be no liability of the Demerged Company in respect of the Redeemable Preference Shares so cancelled.

3.17 Upon coming into effect of this Scheme and in consideration for the cancellation of the Redeemable Preference Shares, if any, in terms of Clause 3.15, the Resulting Company 3 will issue and allot to such holders of the Redeemable Preference Shares of the Demerged Company whose names are reflected in the Register of Preference Shareholders of the Demerged Company as on the Record Date 2, Redeemable Preference Shares in the following manner:

For every 1 (One) Redeemable Preference Share, held in the Demerged Company, 1 (One) Redeemable Preference Share of the same face value as on the Effective Date 2, of the Resulting Company 3 will be allotted.

The Resulting Company 3 will be obligated to pay dividend on such Redeemable Preference Shares from the date of allotment.

3.18 The cancellation of the Redeemable Preference Shares of the Demerged Company shall be effected as an integral part of this Scheme.

PART III

SECTION - III

DEMERGER AND VESTING OF LIFE INSURANCE UNDERTAKING AND DEMERGER AND VESTING OF GENERAL INSURANCE UNDERTAKING

3.19 Upon the coming into effect of this Scheme, and with effect from the Appointed Date, following the demerger and vesting of the Financial Services Undertaking, the Life Insurance Undertaking of the Demerged Company, shall subject to the provisions of Clause 3.21 hereof in relation to the mode of vesting, without any further act or deed, in accordance with Sections 230 to 232 of the Act and all other applicable provisions of law, be transferred to and vested in and shall be deemed to have been transferred to and vested in the Resulting Company 1.

3.20 Upon the coming into effect of this Scheme, and with effect from the Appointed Date, following the demerger and vesting of the Financial Services Undertaking and the Life Insurance Undertaking, the General Insurance Undertaking of the Demerged Company, shall, subject to the provisions of Clause 3.21 hereof in relation to the mode of vesting, without any further act or deed, in accordance with Sections 230 to 232 of the Act and all other applicable provisions of law, be transferred to and vested in and shall be deemed to have been transferred to and vested in the Resulting Company 2.

3.21 Without prejudice to the generality of the foregoing paragraph, upon the Scheme becoming effective, on and from the Appointed Date:

MOVABLE ASSETS & INVESTMENTS

3.21.1 In respect of such of the assets of the Life Insurance Undertaking and General Insurance Undertaking, as are movable in nature and/or otherwise capable of transfer by manual or constructive delivery and/or by endorsement and delivery, the same shall stand transferred by the Demerged Company to the Resulting Companies 1 and 2 respectively, upon the coming into effect of this Scheme pursuant to the applicable provisions of the Act without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of the Resulting Companies 1 and 2 respectively.

3.21.2 In respect of assets other than those dealt with above, the same shall stand transferred to and vested in the Resulting Companies 1 and 2, as may be applicable, without any notice or other intimation to any person in pursuance of the relevant provisions of the Act to the end and intent that the right of the Demerged Company

to recover or realize the same stands transferred to the Resulting Companies 1 and 2. The Resulting Companies 1 and 2 shall, at their sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such person, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred to and vested in the Resulting Companies 1 and 2, as may be applicable, and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes.

3.21.3 Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme, all the rights, title, interest and claims of the Demerged Company in any leasehold/leave and licence/right of way properties of the Demerged Company in relation to the respective Demerged Insurance Undertakings, shall, pursuant to the relevant provisions of the Act, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to or vested in the Resulting Companies 1 and 2, as may be applicable, on the same terms and conditions.

3.21.4 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon the coming into effect of this Scheme, all permits, licenses, permissions, right of way, approvals, clearances, consents, benefits, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, issued to or granted to or executed in favour of the Demerged Company, and the rights and benefits under the same, in so far as they relate to the Life Insurance Undertaking and General Insurance Undertaking respectively, and all quality certifications and approvals, trademarks, trade names, service marks, copy rights, domain names, designs, research and studies, technical knowhow and other intellectual properties and all other interests relating to the goods or services being dealt with by the Life Insurance Undertaking and General Insurance Undertaking respectively, the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents acquired by the Demerged Company in relation to the Life Insurance Undertaking and the General Insurance Undertaking respectively, shall be transferred to and vested in the Resulting Company 1 and Resulting Company 2 respectively, and the concerned licensors and grantors of such approvals, clearances, permissions, etc., shall endorse, where necessary, and record, in accordance with law, the Resulting Companies 1 and 2, as may be applicable, on such approvals, clearances, permissions so as to empower and facilitate the approval and vesting of the Life Insurance Undertaking and General Insurance Undertaking of the Demerged Company in the Resulting Company 1 and Resulting Company 2 respectively, and continuation of operations pertaining to the Life

Insurance Undertaking and General Insurance Undertaking of the Demerged Company in the Resulting Company 1 and Resulting Company 2 respectively without hindrance, and that such approvals, clearances and permissions shall remain in full force and effect in favour of or against the Resulting Companies 1 and 2, as may be applicable, as the case may be, and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Companies 1 and 2, as may be applicable had been a party or beneficiary or obligee or obligor thereto.

3.21.5 All assets, estate, rights, title, interest and authorities acquired by the Demerged Company after the Appointed Date and prior to the Effective Date for operation of the Life Insurance Undertaking and General Insurance Undertaking shall also stand transferred to and vested in the Resulting Company 1 and Resulting Company 2 respectively, upon the coming into effect of this Scheme.

3.21.6 Upon coming into effect of this Scheme, all debts, duties, obligations and liabilities (including contingent liabilities) of the Demerged Company relating to the Life Insurance Undertaking and General Insurance Undertaking shall without any further act, instrument or deed be and stand transferred to the Resulting Company 1 and Resulting Company 2 respectively and shall thereupon become the debts, duties, obligations and liabilities of the Resulting Company 1 and Resulting Company 2 respectively, which they undertake to meet, discharge and satisfy to the exclusion of the Demerged Company and to keep the Demerged Company indemnified at all times from and against all such debts, duties, obligations and liabilities and from and against all actions, demands and proceedings in respect thereto. 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, obligations, duties and liabilities have arisen in order to give effect to the provisions of this clause.

3.21.7 In so far as loans and borrowings of the Demerged Company are concerned with respect to the Life Insurance Undertaking and General Insurance Undertaking, and further, the loans and borrowings, if any which are of a general or multipurpose nature, such loans and borrowings, in the same proportion, which the value of the assets pertaining to the Life Insurance Undertaking and General Insurance Undertaking, respectively bear to the total value of assets of the Demerged Company, if any, which are to be transferred to the Resulting Companies 1 and 2 respectively in terms of Clause 3.21, and shall, without any further act or deed, become loans and borrowings of the Resulting Companies 1 and 2, as may be applicable, and all rights, powers, duties and obligations in relation thereto shall be

and stand transferred to and vested in and shall be exercised by or against the Resulting Companies 1 and 2, as may be applicable, as if it had entered into such loans and incurred such borrowings. Subject to the above, from the Effective Date, the Resulting Companies 1 and 2, as may be applicable alone shall be liable to perform all obligations in respect of the liabilities of the Life Insurance Undertaking and General Insurance Undertaking respectively, as the borrower/issuer thereof, and the Demerged Company shall not have any obligations in respect of the said liabilities.

3.21.8 Where any of the liabilities and obligations of the Demerged Company as on the Appointed Date, relating to the Life Insurance Undertaking and General Insurance Undertaking, deemed to be transferred to the Resulting Company 1 and Resulting Company 2 respectively, have been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Companies 1 and 2 respectively, and all liabilities and obligations incurred by the Demerged Company for the operations of the Life Insurance Undertaking and General Insurance Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been incurred for and on behalf of the Resulting Companies 1 and 2 respectively, and to the extent of their outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Resulting Companies 1 and 2 respectively, and shall become the liabilities and obligations of the Resulting Companies 1 and 2 respectively, which shall meet, discharge and satisfy the same.

3.21.9 Any claims, liabilities or demands arising on account of the Life Insurance Undertaking and General Insurance Undertaking of the Demerged Company which relates to the period prior to the Appointed Date but arises at any time after the Effective Date shall be entirely borne by the Resulting Companies 1 and 2 respectively.

3.21.10 Subject to the other provisions of this Scheme, in so far as the assets of the Life Insurance Undertaking and General Insurance Undertaking are concerned, the security, pledge, existing charges and mortgages, over such assets, to the extent they relate to any loans or borrowings of the Remaining Undertaking of the Demerged Company shall, without any further act, instrument or deed be released and discharged from the same and shall no longer be available as security, pledge, charges and mortgages in relation to those liabilities of the Demerged Company which are not transferred to the Resulting Companies 1 and 2, as may be applicable.

3.21.11 In so far as the assets of the Remaining Undertaking of the Demerged Company are concerned, the security, pledge, existing charges and mortgages over such assets, to the extent they relate to any loans or borrowings of the Demerged Insurance Undertakings shall, without any further act, instrument or deed be released and discharged from such security, pledge, charges and mortgages. The absence of any formal amendment which may be required by a bank and/or financial institution in order to affect such release shall not affect the operation of this clause.

3.21.12 In so far as the existing security in respect of the loans of the Demerged Company and other liabilities relating to the Remaining Undertaking of the Demerged Company are concerned, such security shall, without any further act, instrument or deed be continued with the Demerged Company only on the assets remaining with the Demerged Company.

3.21.13 Without any prejudice to the provisions of the foregoing clauses, the Demerged Company and the Resulting Companies 1 and 2, as may be applicable, shall enter into and execute such other deeds, instruments, documents and/or writings and/or do all acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the concerned Registrar of Companies, to give formal effect to the provisions of this clause and foregoing clauses, if required.

3.21.14 Upon the coming into effect of this Scheme, the Demerged Company alone shall be liable to perform all obligations in respect of all debts, liabilities, duties and obligations pertaining to the Remaining Undertaking of the Demerged Company and the Resulting Companies 1 and 2 shall not have any obligations in respect of the Remaining Undertaking of the Demerged Company.

3.21.15 The foregoing provisions shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security documents, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

3.21.16 It is hereby clarified that all assets and liabilities of the Life Insurance Undertaking and General Insurance Undertaking, which are set forth in the closing balance sheet of Demerged Company as on the close of business hours on the date immediately preceding the Appointed Date, shall be transferred at values appearing in the books of account of Demerged Company as on the Appointed Date.

LEGAL PROCEEDINGS

3.21.17 Upon the coming into effect of this Scheme, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company, under any statute, whether pending on the Appointed Date, or which may be instituted any time in the future and in each case relating to the Life Insurance Undertaking and General Insurance Undertaking, shall be continued and enforced by or against the Resulting Company 1 and Resulting Company 2, respectively after the Effective Date.

3.21.18 The Resulting Companies 1 and 2 shall have all legal or other proceedings initiated by or against the Demerged Company with respect to the Life Insurance Undertaking and General Insurance Undertaking, respectively, transferred into their respective names and to have the same continued, prosecuted and enforced by or against the Resulting Company 1 and Resulting Company 2, as may be applicable, to the exclusion of the Demerged Company.

CONTRACTS, DEEDS, ETC.

3.21.19 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Life Insurance Undertaking and General Insurance Undertaking, respectively, to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall be in full force and effect by or against or in favour of the Resulting Companies 1 and 2 respectively, and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Companies 1 and/or 2, as the case may be had been a party or beneficiary or obligee or obligor thereto.

3.21.20 Notwithstanding the fact that vesting of the Life Insurance Undertaking and General Insurance Undertaking occurs by virtue of this Scheme itself, the Resulting Companies 1 and 2 respectively may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Resulting Companies 1 and 2, as the case may be, will, if necessary, also be a party to the

above. The Resulting Companies 1 and 2, as the case may be, shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company to be carried out or performed.

SAVING OF CONCLUDED TRANSACTIONS

3.21.21 The transfer and vesting of the assets, liabilities and obligations of the Demerged Company with respect to the Life Insurance Undertaking and General Insurance Undertaking under the Scheme and the continuance of the proceedings by or against the Resulting Companies 1 and 2 respectively, under the Scheme, shall not affect any transactions or proceedings already completed by the Demerged Company on or after the Appointed Date, to the end and intent that the Resulting Companies 1 and 2, as the case may be accept all acts, deeds and things done and executed by and/or on behalf of the Demerged Company as acts, deeds and things made, done and executed by and on behalf of the Resulting Companies 1 and 2, as the case may be.

EMPLOYEES

3.21.22 Upon the coming into effect of this Scheme, all the employees relating to the Life Insurance Undertaking and General Insurance Undertaking that were employed by the Demerged Company, immediately before the Effective Date, shall become employees of the Resulting Companies 1 and 2 respectively, without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable to such employees relating to the Life Insurance Undertaking and General Insurance Undertaking of the Demerged Company immediately prior to the demerger.

3.21.23 The Resulting Company 1 and Resulting Company 2 agree that the service of all employees pertaining to the Life Insurance Undertaking and General Insurance Undertaking respectively, with the Demerged Company up to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible in the Demerged Company up to the Effective Date. Each of the Resulting Companies 1 and 2 further agree that for the purpose of payment of any retrenchment compensation, gratuity or other terminal benefits, such past service with the Demerged Company, shall also be taken into account and agrees and undertakes to pay the same as and when payable.

3.21.24 Upon the coming into effect of this Scheme, the Resulting Companies 1 and 2, as the case may be, shall make all the necessary contributions for such transferred employees relating to the Life Insurance Undertaking and General Insurance Undertaking respectively, and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. The Resulting Companies 1 and 2, as may be applicable, will also file relevant intimations in respect of the Life Insurance Undertaking and General Insurance Undertaking respectively, to the statutory authorities concerned who shall take the same on record and substitute the name of the Resulting Companies 1 and 2, as the case may be, for the Demerged Company.

3.21.25 In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by the Demerged Company for employees of the Life Insurance Undertaking and General Insurance Undertaking are concerned, such proportion of the funds, contributions to the funds or the scheme or the investments made into the funds relatable to the employees pertaining to the Life Insurance Undertaking and General Insurance Undertaking respectively, as on the Effective Date, who are being transferred along with the respective Demerged Insurance Undertakings in terms of the Scheme, upon the coming into effect of this Scheme, shall be transferred to the necessary funds, schemes or trusts of the Resulting Company 1 and Resulting Company 2 respectively, and till the time such necessary funds, schemes or trusts are created by the Resulting Companies 1 and 2 respectively, all contribution shall continue to be made to the existing funds, schemes or trusts of the Demerged Company.

3.22 **CONDUCT OF THE DEMERGED INSURANCE UNDERTAKINGS FOR THE RESPECTIVE RESULTING COMPANIES**

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

3.22.1 The Demerged Company shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Life Insurance Undertaking and General Insurance Undertaking and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all the estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions of the Life Insurance Undertaking and General Insurance Undertaking for and on account of, and in trust for the Resulting Companies 1 and 2 respectively;

3.22.2 All profits and income accruing or arising to the Demerged Company from the Life Insurance Undertaking and General Insurance Undertaking, and any cost, charges, losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) relating to the Life Insurance Undertaking and General Insurance Undertaking, shall, for all purposes, be treated as and be deemed to be the profits income, losses or expenditure, as the case may be, of the Resulting Companies 1 and 2 respectively;

3.22.3 Any of the rights, powers, authorities, privileges, attached, related or pertaining to the Life Insurance Undertaking and General Insurance Undertaking exercised by the Demerged Company shall be deemed to have been exercised by the Demerged Company for and on behalf of, and in trust for and as an agent of the Resulting Companies 1 and 2, as the case may be. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Life Insurance Undertaking and General Insurance Undertaking that have been undertaken or discharged by the Demerged Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Resulting Companies 1 and 2 respectively;

3.22.4 The Demerged Company undertakes that it will preserve and carry on the business relating to the Demerged Insurance Undertakings with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber the Demerged Insurance Undertakings or any part thereof or recruit new employees or conclude settlements with union or employees or undertake substantial expansion or change the general character or nature of the business of the concerned Demerged Insurance Undertakings or any part thereof save and except in each case:

(a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme; or

(b) if the same is expressly permitted by this Scheme; or

(c) if the prior written consent of the Board of Directors of the Resulting Company 1 and Resulting Company 2, as the case may be, has been obtained.

3.22.5 The Demerged Company and/ or the Resulting Companies 1 and 2, shall be entitled, pending sanction of the Scheme, to apply to the Central/State Government(s), regulatory/local/administrative bodies and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals

and sanctions which the respective Resulting Companies 1 and 2 may require to carry on the business of the respective Demerged Insurance Undertakings.

TAX CREDITS

3.22.6 The Resulting Companies 1 and 2 respectively will be the successor of the Demerged Company vis-à-vis the Life Insurance Undertaking and General Insurance Undertaking. Hence, it will be deemed that the benefit of any tax credits whether central, state or local, availed vis- à-vis the Life Insurance Undertaking and General Insurance Undertaking and the obligations, if any, for payment of taxes on any assets of the Life Insurance Undertaking and General Insurance Undertaking, shall be deemed to have been availed by the Resulting Companies 1 and 2 respectively.

3.22.7 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess receivable/payable by the Demerged Company relating to the Life Insurance Undertaking and General Insurance Undertaking respectively, including all or any refunds/credit/claims/tax losses /unabsorbed depreciation relating thereto shall be treated as the asset/liability or refunds/credit/claims/tax losses /unabsorbed depreciation, as the case may be, of the Resulting Companies 1 and 2 respectively.

3.22.8 The Resulting Company 1 and 2 are expressly permitted to revise their tax returns, electronically or physically, after taking credit for taxes paid including tax deducted at source (TDS) certificates/ returns, wealth tax returns, service tax, excise duty, sales tax, value added tax, GST, entry tax, cess, professional tax or any other statutory returns, if required, and shall be entitled to claim credit for advance tax paid, claim for sum(s) prescribed under Section 43B of the Income Tax Act, 1961 on payment basis, claim for deduction of provisions written back by the Demerged Company pertaining to Life Insurance Undertaking and General Insurance Undertaking respectively, previously disallowed in the hands of the Demerged Company under the Income Tax Act, 1961 credit of tax under section 115JB read with section 115JAA of the Income Tax Act, 1961 credit of foreign tax paid/withheld, if any, pertaining to Life Insurance Undertaking and General Insurance Undertaking respectively, of the Demerged Company, consequent to implementation of this Scheme and where necessary to give effect to this Scheme, even if the prescribed time limit for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum to claim refunds, advance tax credits, excise and service tax credits, set off, etc., on the basis of the accounts of the Life Insurance Undertaking and General Insurance Undertaking respectively, of the Demerged Company, upon the coming into effect of this Scheme.

CONSIDERATION:

3.22.9 Upon coming into effect of this Scheme and in consideration for the demerger, transfer and vesting of the Life Insurance Undertaking and General Insurance Undertaking of the Demerged Company into the Resulting Company 1 and the Resulting Company 2 respectively, in terms of this Scheme, the shareholders of the Demerged Company whose named are reflected in the Register of Members of the Demerged Company as on the Record Date 2 (which will also include the shareholders of Transferor Company 1, who have been allotted shares of the Transferee Company 1/Demerged Company, in terms of Part III – Section I of the Scheme), will be allotted shares in the following manner:

For every 1 (One) fully paid equity share of Re. 1 [One] each, held in the Demerged Company, the shareholders of the Demerged Company will be entitled to 1 (One) fully paid equity share of Re. 1 [One] each in the Resulting Company 1.

For every 1 (One) fully paid equity share of Re. 1 [One] each, held in the Demerged Company, the shareholders of the Demerged Company will be entitled to 1 (One) fully paid equity share of Re. 1 [One] each in the Resulting Company 2.

3.22.10 The equity shares to be issued and allotted under the Scheme by the Resulting Company 1 and Resulting Company 2, shall be subject to the Memorandum of Association and Articles of Association of the Resulting Company 1 and Resulting Company 2 respectively. The equity shares issued by the Resulting Company 1 and Resulting Company 2 (as the case may be), shall rank pari passu in all respects, including dividends, voting and other rights, with the existing equity shares of the Resulting Company 1 and Resulting Company 2 respectively. In case the number of new shares to be issued by Resulting Company 1 and/or Resulting Company 2 pursuant to this Scheme is a fractional number, it shall be rounded off to the nearest whole number. The Board of Directors of the Resulting Company 1 and Resulting Company 2 (as the case may be), shall, if and to the extent required, apply for and obtain any approvals from the concerned Government / Regulatory authorities for the issue and allotment of equity shares pursuant to this Scheme. The approval of this Scheme by the shareholders of all the concerned companies under Sections 230 to 232 of the Act, shall be deemed to constitute the approvals as may be required under any other applicable provisions of the Act and any other consents and approvals required in this regard.

ACCOUNTING TREATMENT

The Demerged Insurance Undertakings of Demerged Company and Resulting Company 1 and Resulting Company 2 shall comply with generally accepted accounting practices in India, provisions of the Act and accounting standards as notified by Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following.

3.23 **ACCOUNTING TREATMENT IN THE BOOKS OF DEMERGED COMPANY:**

3.23.1 With effect from the Appointed Date, the assets, liabilities and the reserves pertaining to the Life Insurance Undertaking and General Insurance Undertaking of the Demerged Company being transferred to Resulting Company 1 and Resulting Company 2 respectively, shall be derecognized at values appearing in the books of account of the Demerged Company as on the Appointed Date with a corresponding reduction in the securities premium and or retained earnings.

3.23.2 Upon the Scheme becoming effective, the inter-company balances, if any, appearing in the books of accounts of the Demerged Company pertaining to the Life Insurance Undertaking and General Insurance Undertaking, and the Resulting Company 1 and Resulting Company 2, shall stand cancelled.

3.23.3 Pursuant to the Scheme and as per Clause 3.25, the Demerged company would cancel its investment in Resulting Company 1 and Resulting Company 2 and charge the same to profit and loss account.

3.24 **ACCOUNTING TREATMENT IN THE BOOKS OF THE RESULTING COMPANIES:**

3.24.1 Upon effectiveness of the Scheme and with effect from the Appointed Date, transfer of the Life Insurance Undertaking and the General Insurance Undertaking of the Demerged Company shall be accounted for in the books of Resulting Company 1 and Resulting Company 2 respectively, applying the pooling of interests method in accordance with Appendix C to Ind AS 103- Business Combinations.

3.24.2 The Resulting Company 1 and Resulting Company 2 shall record the assets and liabilities of the Life Insurance Undertaking and the General Insurance Undertaking of the Demerged Company respectively, vested in each of them, pursuant to the Scheme, at their respective carrying values.

3.24.3 The identity of the reserves transferred of the Life Insurance Undertaking and General Insurance Undertaking shall be preserved and shall appear in the financial statements of the Resulting Company 1 and Resulting Company 2 in the same form in which they appeared in the financial statements of the Demerged Company with respect to the Life Insurance Undertaking and General Insurance Undertaking.

3.24.4 Pursuant to the Scheme and as per Clause 3.25, the Resulting Company 1 and Resulting Company 2 would cancel its paid-up equity share capital held by the Demerged company with a corresponding adjustment to 'Equity' (as per the principles of Indian Accounting Standards)

3.24.5 In respect of new shares to be issued by Resulting Company 1 and Resulting Company 2, pursuant to the Scheme, as consideration, the Resulting Company 1 and Resulting Company 2, shall reflect the aggregate face value of shares issued as its equity share capital respectively.

3.24.6 The surplus/deficit, if any between the value of Net Assets (Excess of Value of Assets over Value of Liabilities) and reserves pertaining to the Life Insurance Undertaking and the General Insurance Undertaking of the Demerged Company, and the amount of equity share capital issued shall be added to/reduced from the capital reserve/ reserve on demerger, as the case may be.

3.25 **CANCELLATION OF DEMERGED COMPANY'S EQUITY SHAREHOLDING IN RESULTING COMPANY 1 AND RESULTING COMPANY 2**

On the Scheme becoming effective, and as an integral part of the Scheme, the equity shares of the Resulting Company 1 and Resulting Company 2 held by the Demerged Company shall stand cancelled. Accordingly, the entire shareholding of the Demerged Company in Resulting Company 1 and Resulting Company 2, shall, as an integral part of the Scheme, stand cancelled, and no separate sanction of the NCLT in this regard shall be required.

PART – III

SECTION – IV

AMALGAMATION OF TRANSFEROR COMPANY 2 WITH TRANSFEREE COMPANY 2

3.26 Upon the coming into effect of this Scheme, and with effect from the Appointed Date, and following the amalgamation of the Transferor Company 1 with Transferee Company 1, and the demerger & vesting of the Financial Services Undertaking, Life Insurance Undertaking and General Insurance Undertaking with the respective Resulting Companies, the Transferor Company 2 with its Remaining Undertaking shall, together with all of its movable assets, immovable properties, investments, licenses, benefits, entitlements, incentives, concessions, contracts, intellectual property, employees, proceedings, rates, duties, cess, books & records as also the liabilities, shall subject to the provisions of Clause 3.27 hereof in relation to the mode of vesting, without any further act or deed, in accordance with Sections 230 to 232 of the Act and all other applicable provisions of law, be transferred to and vested in and shall be deemed to have been transferred to and vested in the Transferee Company 2, as a going concern.

3.27 Without prejudice to the generality of the foregoing paragraph, upon the Scheme becoming effective, on and from the Appointed Date:

MOVABLE ASSETS, IMMOVABLE PROPERTIES & INVESTMENTS

3.27.1 In respect of such assets of the Transferor Company 2 which are moveable in nature or are otherwise capable of transfer by delivery of possession, payment or by endorsement and delivery, the same shall be transferred to and vested in Transferee Company 2 and shall become the property of the Transferee Company 2. The vesting pursuant to this paragraph shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and the title to the property shall be deemed to have been transferred accordingly, without requiring execution of any deed or instrument of conveyance for the same.

3.27.2 In respect of such assets of the Transferor Company 2, which are or represent Investments registered and/or held in any form by or beneficial interest wherein is owned by the Transferor Company 2, the same shall stand transferred/transmitted to and vested in the Transferee Company 2, together with all rights, benefits, and interest therein or attached thereto, without any further act or deed, and thereupon the Transferor Company 2 shall cease to be the registered and/or the beneficial owner of such investments. The Transferor Company 2 shall be deemed to be holding such investments for and on behalf of and in trust for and for the benefit of

the Transferee Company 2, and all profits or dividends and other rights or benefits accruing/paid/distributed on such investments and all taxes thereon, or losses arising or expenses incurred relating to such investments, shall, for all intent and purposes, be treated as the profits, dividends, rights, benefits, taxes, losses, or expenses, as the case may be, of the Transferee Company 2.

3.27.3 In respect of such of the moveable assets belonging to the Transferor Company 2, other than those specified in Clauses 3.27.1 and 3.27.2 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances and deposits, if any, the same shall [notwithstanding whether there is any specific provision for transfer of credits, assets or refunds under any Applicable Law, wherever applicable], without any further act, instrument or deed by the Transferor Company 2 or the Transferee Company 2 or the need for any endorsements, stand transferred from the Transferor Company 2, to and in favour of the Transferee Company 2. Any security, lien, encumbrance, or charge created over any assets in relation to the loans, debentures or borrowings or any other dues of the Transferor Company 2, shall, without any further act or deed, stand transferred to the benefit of the Transferee Company 2, which will have all the rights of the Transferor Company 2 to enforce such security, lien, encumbrance or charge, by virtue of this Scheme.

3.27.4 All immovable properties of the Transferor Company 2 [i.e. land together with the buildings and structures standing thereon or under construction, whether freehold, leasehold, leave and licensed or otherwise], including any tenancies in relation to office space, guest houses and residential premises including those provided to/occupied by the employees and all documents of title, rights and easements in relation thereto and all plant and machineries constructed or embedded or attached to any such immovable properties and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties, shall stand transferred to and vested in the Transferee Company 2, without any further act or deed done/executed or being required to be done/executed by the Transferor Company 2 or the Transferee Company 2. The Transferee Company 2 shall be entitled to exercise and enjoy all rights and privileges attached to the immovable properties and shall be liable to pay the ground rent and taxes and fulfill all obligations and be entitled to all rights in relation to or as applicable to such immovable properties.

LICENSES

3.27.5 All licenses relating to the Transferor Company 2 shall stand transferred to and vested in the Transferee Company 2, without any further act or deed by the

Transferor Company 2 or the Transferee Company 2, and be in full force and effect in favour of the Transferee Company 2, as if the same, were originally given to, issued to or executed in favour of the Transferee Company 2, and the Transferee Company 2 shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company 2.

3.27.6 Any and all approvals obtained by the Transferor Company 2 for the purpose of carrying on its business, shall inure to the benefit of the Transferee Company 2, subject to Applicable Laws, and the Transferee Company 2 shall be entitled to continue these operations from these various locations, without having to obtain any further approvals, or undertake any further processes, under any Applicable Law.

BENEFITS, ENTITLEMENTS, INCENTIVES AND CONCESSION

3.27.7 All benefits, entitlements, incentives and concessions under incentive schemes and policies that the Transferor Company 2 is entitled to, including under service tax, Goods and Services Tax (including the Integrated Goods and Services Tax input tax credit, Central Goods and Services Tax input tax credit and State Goods and Services Tax input tax credit), VAT, sales tax and income tax laws, shall to the extent statutorily available and along with associated obligations, stand transferred to and vested in and be available to the Transferee Company 2, as if the Transferee Company 2 was originally entitled to all such benefits, entitlements, incentives and concessions. All cheques (including post-dated cheques, subject to complying with procedural requirements under Applicable Law, if any) and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company 2, shall on and from the Effective Date stand transferred to, and without any further, act or deed, be treated as having been issued to or by the Transferee Company 2, and shall be accepted by the bankers of the Transferee Company 2 and credited to the account of the Transferee Company 2. All legal rights in relation to such cheques and negotiable instruments shall stand vested in the Transferee Company 2. Any standing instructions concerning payment obligations, or ENACH forms signed by the Transferor Company 2 shall be deemed to have been issued or signed by the Transferee Company 2, and the concerned authority to whom such instructions have been provided or forms signed shall accept the same.

CONTRACTS

3.27.8 All contracts of the Transferor Company 2, including without limitation documents & agreements relating to creation of security, subsisting or having effect immediately before the Effective Date, with respect to such Transferor Company 2, shall stand transferred to and vested in the Transferee Company 2 and be in full force and effect in favour of the Transferee Company 2 and may be enforced by or against it as fully and effectually as if, instead of the Transferor Company 2 (as the case may be), the Transferee Company 2 had been a party or beneficiary thereto.

3.27.9 All guarantees provided by any bank in favour of the Transferor Company 2, outstanding as on the Effective Date, shall vest in the Transferee Company 2 and shall ensure to the benefit of the Transferee Company 2 and all guarantees issued by the bankers of the Transferor Company 2, favouring any third party shall be deemed to have been issued at the request of the Transferee Company 2 and continue in favour of such third party till their maturity or earlier termination.

3.27.10 It shall not be necessary to obtain the consent of any third party or other person, who is a party to any such contract or arrangement to give effect to the provisions of this paragraph.

EMPLOYEES

3.27.11 All the employees in the service of the Transferor Company 2, shall be deemed to have become the employees of the Transferee Company 2, with effect from the Appointed Date, and shall stand transferred to the Transferee Company 2, without any interruption of service and on terms and conditions no less favourable than those on which they are engaged by the Transferor Company 2 as on the Effective Date, including in relation to the level of remuneration and contractual and statutory benefit, incentive plans, employee stock options and pension schemes, terminal benefits, gratuity plans, provident plans, and any other retirement benefits.

3.27.12 In the event of retrenchment of such employees, the Transferee Company 2 shall be liable to pay compensation in accordance with law on the basis that the services of the employees shall have been continuous and shall not have been interrupted by reason of such transfer; and

3.27.13 It is provided that as far as the Provident Fund, Gratuity, Pension, Superannuation Fund or any other special funds that are applicable to the employees of the Transferee Company 2 and existing in the Transferee Company 2 for the benefit of the employees of the Transferee Company 2, the same shall also be extended to the employees of the Transferor Company 2 upon the Scheme becoming finally effective.

3.27.14 All contributions made by the Transferor Company 2, on behalf of its employees, and all contributions made by the employees including the interest arising thereon, to the funds standing to the credit of such employees' account with such funds, shall, upon this Scheme becoming effective, be transferred to the funds maintained by the Transferee Company 2, along with such of the investments made by such funds which are referable and allocable to the employees and the Transferee Company 2 shall stand substituted for the Transferor Company 2 with regard to its obligations to make the said contributions.

3.27.15 In relation to those employees for whom the Transferor Company 2 is making contributions to the Government provident fund, the Transferee Company 2 shall stand substituted in its place, for all purposes, including in relation to the obligation to make contributions to such funds in accordance with the provisions of such funds, bye-laws etc., in respect of the employees.

3.27.16 The Transferee Company 2 shall continue to abide by the agreement(s) and settlement(s) entered into with the employees of the Transferor Company 2, if any, in terms of such agreement(s) and settlement(s) subsisting on the Effective Date, in relation to the employees.

PROCEEDINGS

3.27.17 With effect from the Appointed Date and upon the Scheme becoming effective, all suits, actions and proceedings of whatsoever nature by or against the Transferor Company 2, shall, on the Effective Date, be continued and enforced by or against the Transferee Company 2.

3.27.18 Upon the Scheme becoming effective the name of the Transferor Company 2 shall stand substituted by the name of the Transferee Company 2 in any pending dispute or arbitral proceedings, and the Transferee Company 2 shall be entitled to continue the proceedings, in its name, from the stage at which the proceedings stand, as on the Effective Date.

3.27.19 The Transferee Company 2 undertakes to have all legal or other proceedings initiated by or against the Transferor Company 2 in respect of matters referred above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company 2 to the exclusion of the Transferor Company 2.

LIABILITIES, DEBTS, OBLIGATIONS & SECURITY:

3.27.20 With effect from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description relatable to the Transferor Company 2 shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company 2, so as to become from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company 2 and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.

3.27.21 Where any of the liabilities and obligations/assets attributed to the Transferor Company 2 on the Appointed Date have been discharged/ sold by the Transferor Company 2 after the Appointed Date and prior to the Effective Date, such discharge/sale shall be deemed to have been for and on behalf of the Transferee Company 2.

3.27.22 Any payment or discharge of any liabilities, debts or obligations pertaining to the Transferor Company 2 by the Transferee Company 2 shall be deemed to have been made for and on behalf of the Transferor Company 2, and shall constitute a valid discharge.

3.27.23 This Scheme shall not operate to enlarge or extend the security for any of the liabilities of the Transferor Company 2 and the Transferee Company 2 shall not be obliged to create any further or additional security therefor, after the Effective Date, unless otherwise agreed to by the Transferee Company 2.

3.27.24 In so far as the existing security in respect of the Liabilities is concerned, such security shall, without any further act, instrument or deed be modified and shall be extended to, and shall operate only over the assets of the Transferor Company 2 which have been charged and secured, and subsisting as on the Effective Date, in respect of the Liabilities. Provided that if any of the assets of the Transferor Company 2 have not been charged or secured in respect of the Liabilities, such assets shall remain unencumbered and the existing security referred to above shall not be extended to, and shall not operate over such assets.

TAX TREATMENT

3.27.25 All taxes, rates, duties, fees, cess etc., that are allocable, referable or related to the Transferor Company 2, payable, whether due or not, from the Appointed Date,

including all advance tax payments, tax deducted at source, tax liabilities, tax obligations or any refunds, credits and claims shall, for all intent and purposes, be treated as the liability, obligations or refunds, credit and claims, as the case may be, of the Transferee Company 2.

3.27.26 Further, it will be deemed that the benefit of any tax credits whether central, state or local, availed by the Transferor Company 2, and the obligations, if any, for payment of taxes on any assets etc. shall be deemed to have been availed by Transferee Company 2.

3.27.27 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess receivable/payable by the Transferor Company 2, including all or any refunds/credit/claims/tax losses /unabsorbed depreciation relating thereto shall be treated as the asset/liability or refunds/credit/claims/tax losses /unabsorbed depreciation, as the case may be, of the Transferee Company 2.

3.27.28 The Transferee Company 2 is expressly permitted to revise its tax returns, electronically or physically after taking credit for taxes paid including tax deducted at source (TDS) certificates/ returns, wealth tax returns, service tax, excise duty, sales tax, value added tax, GST, entry tax, cess, professional tax or any other statutory returns, if required, and shall be entitled to claim credit for advance tax paid, claim for sum(s) prescribed under Section 43B of the Income Tax Act, 1961 on payment basis, claim for deduction of provisions written back by Transferee Company 2 previously disallowed in the hands of Transferor Company 2 under the Income Tax Act, 1961 credit of tax under section 115JB read with section 115JAA of the Income Tax Act, 1961 credit of foreign tax paid/withheld, if any, pertaining to Transferor Company 2, consequent to implementation of this Scheme and where necessary to give effect to this Scheme, even if the prescribed time limit for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum to claim refunds, advance tax credits, excise and service tax credits, set off, etc., on the basis of the accounts of the Transferor Company 2 upon the coming into effect of this Scheme.

3.27.29 It is further clarified that the Transferee Company 2 shall have the right to claim refunds, tax credits, set-offs and/or adjustments relating to the income or transactions it has entered into, by virtue of this Scheme with effect from the Appointed Date. The taxes or duties paid by, for, or on behalf of the Transferor Company 2, relating to the period on or after Appointed Date, shall be deemed to be the taxes or duties paid by the Transferee Company 2, which shall be entitled to claim credit or refund for such taxes or duties.

BOOKS AND RECORDS

3.27.30 All books, records, files, papers, catalogues, quotations, advertising materials, if any, lists of present and former clients, subscribers, and all other books and records, whether in physical or electronic form, of the Transferor Company 2, to the extent possible and permitted under Applicable Laws, be handed over by them to the Transferee Company 2.

CONDUCT OF BUSINESS TILL THE EFFECTIVE DATE:

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

(a) The Transferor Company 2 shall both carry on, and be deemed to have been carrying on, all business activities and shall hold and stand possessed, and shall be deemed to have held and possessed, of all the assets, rights, title, interest, authorities, contracts, investments, decisions for and on account of, and in trust for, the Transferee Company 2.

(b) All profits or income or taxes, including but not limited to income tax, fringe benefit tax, advance taxes, tax deducted at source by or on behalf of the Transferor Company 2, minimum alternate tax credit, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, wealth tax, sales tax, value added tax, excise duty, service tax, Goods and Services Tax, customs duty, refund, reliefs, etc., accruing or arising to the Transferor Company 2, or losses arising or expenditure incurred by it, on and from Appointed Date upto the Effective Date, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure or the taxes of the Transferee Company 2.

(c) The Transferor Company 2 shall carry on its business activities with proper prudence and diligence and shall not, without prior written consent of the Transferee Company 2, alienate, charge or otherwise deal with or dispose off its business Undertaking(s) or any part thereof (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Company 2 prior to the Appointed Date).

(d) The Transferor Company 2 shall be permitted to make modification to its capital structure, either by an increase (by issue of rights shares, bonus shares, convertible debentures or otherwise), decrease, reclassification, sub-division or reorganisation or in any other manner, whatsoever, in the normal course of business or in

pursuance of this Scheme, without having to seek the explicit consent of the Board of Directors of the Transferee Company 2.

(e) The Transferor Company 2 shall not vary, except in the ordinary course of business, the terms and conditions of employment of its employees without the consent of the Board of Directors of the Transferee Company 2, and any promotions, increments etc provided to employees shall be as per standard business practices employed in the normal course of business by Transferor Company 2.

(f) All assets acquired, leased or licensed, benefits, entitlements, incentives and concessions granted, contracts entered into, liabilities incurred and proceedings initiated or made party to, between the Appointed Date and the Effective Date by the Transferor Company 2 shall be deemed to be transferred to and vested in the Transferee Company 2. For avoidance of doubt, where any of the Liabilities as on the Appointed Date [deemed to have been transferred to the Transferee Company 2] have been discharged by the Transferor Company 2, on or after the Appointed Date, but before the Effective Date, such discharge shall be deemed to have been for and on behalf of the Transferee Company 2 for all intent and purposes and under Applicable Laws.

(g) With effect from the Effective Date, the Transferee Company 2 shall carry on and shall be authorized to carry on the businesses of the Transferor Company 2, and till such time as the name of the account holder in the bank accounts of the Transferor Company 2, are substituted by the bank in the name of the Transferee Company 2, the Transferee Company 2 shall be entitled to operate such bank accounts of the Transferor Company 2, in its name, in so far as may be necessary.

(h) To the extent possible, pending sanction of this Scheme, the Transferor Company 2, or the Transferee Company 2 shall be entitled to apply to the relevant Governmental Authorities and other third parties, concerned, as may be necessary under any law or contract for transfer or modification of such consents, approvals and sanctions which the Transferee Company 2 may require to own and carry on the businesses of the Transferor Company 2, with effect from the Effective Date and subject to this Scheme being sanctioned.

(i) For the purpose of giving effect to the order passed under Sections 230 to 232 of the Act, in respect of this Scheme, by the NCLT, the Transferor Company 2 shall, upon the Scheme becoming effective, be entitled to get the record of the change in

the legal right(s) standing in the names of the Transferor Company 2, in its favour in accordance with such order and the provisions of the Act, and any Applicable Laws.

(j) The Transferor Company 2 shall declare or pay any dividends, as per its usual practice, and in accordance with the applicable provisions of the Companies Act, 2013, whether interim or final, to its respective equity shareholders in respect of the accounting period prior to the Appointed Date, and between the Appointed Date and Effective Date (subject to Applicable Law), without requiring any prior approval from the Board of Directors of Transferee Company 2. Nothing contained in this Scheme shall be deemed to affect the right and power of the Transferor Company 2 to declare dividends as per the applicable provisions of the Companies Act, 2013.

3.28 **CONSIDERATION**

3.28.1 Upon coming into effect of this Scheme and in consideration for the amalgamation of the Transferor Company 2 along with its Remaining Undertaking into the Transferee Company 2, in terms of this Scheme, the shareholders of the Transferor Company 2, whose names are reflected in the Register of Members of the Transferor Company 2 as on the Record Date 2 (which will also include the shareholders of Transferor Company 1, who have been allotted shares of the Transferee Company 1/Demerged Company, in terms of Part III – Section I of the Scheme), will be entitled to be allotted shares in the following manner:

For every 10,00,00,000 (Ten Crore) fully paid equity shares of Re. 1 [One] each, held in the Transferor Company 2, the shareholders of the Transferor Company 2 will be entitled to 97,83,305 (Ninety Seven Lakhs Eighty Three Thousand Three Hundred and Five) fully paid equity shares of Rs. 10 [Ten] each of the Transferee Company 2.

3.28.2 The equity shares to be issued and allotted under Part III – Section IV of the Scheme by the Transferee Company 2 shall be subject to its Memorandum of Association and Articles of Association. The equity shares issued by the Transferee Company 2 shall rank pari passu in all respects, including dividends, voting and other rights, with its existing equity shares. The Board of Directors of the Transferee Company 2, shall, if and to the extent required, apply for and obtain any approvals from concerned Government / Regulatory authorities for the issue and allotment of equity shares pursuant to this Scheme. The approval of this Scheme by the shareholders of all the concerned companies under Sections 230 to 232 of the Act, shall be deemed to constitute the approvals as may be required under any other applicable provisions of the Act and any other consents and approvals required in this regard.

3.29 **ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY 2**

3.29.1 Upon effectiveness of the Scheme and with effect from the Appointed Date, the amalgamation will be accounted in accordance with the "acquisition method" prescribed under the Indian Accounting Standard – 103 Business Combinations as notified under Section 133 of the Act, read together with Paragraph 3 of the Companies (Indian Accounting Standard) Rules, 2015.

3.29.2 The Transferee Company 2 shall recognise separately from goodwill; the identifiable assets acquired, and the liabilities assumed, including such assets and liabilities that the Transferor Company 2 had not previously recognised in its financial statements.

3.29.3 The Transferee Company 2 shall measure the identifiable assets and liabilities acquired and account for the same at their fair values determined as on the Appointed Date.

3.29.4 The Transferee Company 2 shall record the equity shares issued and allotted as consideration at fair value as on the Appointed Date. The total face value of the equity shares on such issue shall be added to the share capital account and the balance shall be added to the securities premium account.

3.29.5 The investment in Transferee Company 2 held by Transferor Company 2 would get cancelled with a corresponding reduction in the Equity Share capital of the Transferee Company 2. The difference between the fair value of such investment recognised as per the "acquisition method" and the face value of shares cancelled by the Transferee Company 2 shall be reduced from the securities premium account of the Transferee Company 2.

3.30 **AMENDMENT TO THE MEMORANDUM OF ASSOCIATION OF TRANSFEREE COMPANY 2:**

Upon the coming into effect of this Scheme, the following main object shall as part and parcel of this Scheme stand added after Clause 13 of Clause III of the Memorandum of Association of Transferee Company 2 (relating to the objects for which the company has been established), pursuant to Section 13 of the Act and the Memorandum of Association of Transferee Company 2 shall, without any further act or deed, stand amended as follows:

"

14.*To engage in the business of investment promotion including facilitating Strategic Investor/ Private Equity investor / third parties to invest in promoted entities, to form, promote any Company or Companies, whether Indian or foreign, having amongst its or their objects the acquisition of all or any of the assets or control or development of the Company, which could or might directly or indirectly assist the Company in the management of its business or the development of its properties and to pay all or any of the costs and expenses in connection with any such promotion or incorporation and to remunerate any person or Company in any matter it shall think fit for services rendered or to be rendered in obtaining subscriptions for or guaranteeing the subscription of or placing of any shares in the capital of the Company or any bonds, debentures, obligations or securities of the Company .*

15. To carry on the business of Portfolio managers in syndicates in software and in shares, debentures, stocks or any other money market instruments."

3.31 **CANCELLATION OF TRANSFEROR COMPANY 2'S EQUITY SHAREHOLDING IN TRANSFEREE COMPANY 2**

On the Scheme becoming effective, the entire shareholding of the Transferor Company 2 held in the Transferee Company 2 shall stand cancelled, and no separate sanction of the NCLT in this regard shall be required.

3.32 **SAVING OF CONCLUDED TRANSACTIONS**:

The transfer and vesting of the Transferor Company 2 with and into the Transferee Company 2 under Part III of this Scheme, shall not affect any transaction or proceedings already completed or liabilities incurred by the Transferor Company 2, either prior to, or on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company 2 shall accept and adopt all acts, deeds and things done and executed by or on behalf of the Transferor Company 2, in respect thereto as acts, deeds and things done and executed by and on behalf of itself.

3.33 **DISSOLUTION OF THE TRANSFEROR COMPANY 2**

Subject to an order being made by the NCLT under Sections 230 to 232 of the Act, the Transferor Company 2 shall stand dissolved without the process of winding up on the Scheme becoming effective in accordance with the provisions of the Act and the Rules made thereunder.

PART - III

SECTION - V

AMALGAMATION OF TRANSFEROR COMPANY 3 WITH TRANSFEREE COMPANY 2

3.34 Upon the coming into effect of this Scheme, and with effect from the Appointed Date, Transferor Company 3, shall, together with all of its movable assets, immovable properties, investments, licenses, benefits, entitlements, incentives, concessions, contracts, intellectual property, employees, proceedings, rates, duties, cess, books & records as also the liabilities, shall subject to the provisions of Clause 3.35 hereof in relation to the mode of vesting, without any further act or deed, in accordance with Sections 230 to 232 of the Act and all other applicable provisions of law, be transferred to and vested in and shall be deemed to have been transferred to and vested in the Transferee Company 2, as a going concern.

3.35 Without prejudice to the generality of the foregoing paragraph, upon the Scheme becoming effective, on and from the Appointed Date:

MOVABLE ASSETS, IMMOVABLE PROPERTIES & INVESTMENTS

3.35.1 In respect of such assets of the Transferor Company 3, which are moveable in nature or are otherwise capable of transfer by delivery of possession, payment or by endorsement and delivery, the same shall be transferred to and vested in Transferee Company 2 and shall become the property of the Transferee Company 2. The vesting pursuant to this paragraph shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and the title to the property shall be deemed to have been transferred accordingly, without requiring execution of any deed or instrument of conveyance for the same.

3.35.2 In respect of such assets of the Transferor Company 3, which are or represent Investments registered and/or held in any form by or beneficial interest by it, the same shall stand transferred/transmitted to and vested in the Transferee Company 2, together with all rights, benefits, and interest therein or attached thereto, without any further act or deed, and thereupon the Transferor Company 3 shall cease to be the registered and/or the beneficial owner of such investments. The Transferor Company 3 shall be deemed to be holding such investments for and on behalf of and in trust for and for the benefit of the Transferee Company 2 and all profits or dividends and other rights or benefits accruing/paid/distributed on such investments and all taxes thereon, or losses arising or expenses incurred relating to such investments, shall, for all intent and purposes, be treated as the profits,

dividends, rights, benefits, taxes, losses, or expenses, as the case may be, of the Transferee Company 2.

3.35.3 In respect of such of the moveable assets belonging to the Transferor Company 3, other than those specified in Clauses 3.35.1 and 3.35.2 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances and deposits, if any, the same shall [notwithstanding whether there is any specific provision for transfer of credits, assets or refunds under any Applicable Law, wherever applicable], without any further act, instrument or deed by the Transferor Company 3 or the Transferee Company 2 or the need for any endorsements, stand transferred from the Transferor Company 3, to and in favour of the Transferee Company 2. Any security, lien, encumbrance, or charge created over any assets in relation to the loans, debentures or borrowings or any other dues of the Transferor Company 3, shall, without any further act or deed, stand transferred to the benefit of the Transferee Company 2, which will have all the rights of Transferor Company 3 to enforce such security, lien, encumbrance or charge, by virtue of this Scheme.

3.35.4 All immovable properties of the Transferor Company 3 [i.e. land together with the buildings and structures standing thereon or under construction, whether freehold, leasehold, leave and licensed or otherwise], including any tenancies in relation to office space, guest houses and residential premises including those provided to/occupied by the employees and all documents of title, rights and easements in relation thereto and all plant and machineries constructed or embedded or attached to any such immovable properties and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties, shall stand transferred to and vested in the Transferee Company 2, without any further act or deed done/executed or being required to be done/executed by the Transferee Company 2, or Transferor Company 3. The Transferee Company 2 shall be entitled to exercise and enjoy all rights and privileges attached to the immovable properties and shall be liable to pay the ground rent and taxes and fulfill all obligations and be entitled to all rights in relation to or as applicable to such immovable properties.

LICENSES

3.35.5 All licenses relating to the Transferor Company 3 shall stand transferred to and vested in the Transferee Company 2, without any further act or deed by the Transferor Company 3, or the Transferee Company 2, and be in full force and effect in favour of the Transferee Company 2, as if the same, were originally given to, issued to or executed in favour of the Transferee Company 2, and the Transferee Company 2 shall be bound by the terms thereof, the obligations and duties

thereunder, and the rights and benefits under the same shall be available to the Transferee Company 2.

3.35.6 Any and all approvals obtained by the Transferor Company 3 for the purpose of carrying on its businesses, shall inure to the benefit of the Transferee Company 2, subject to Applicable Laws, and the Transferee Company 2 shall be entitled to continue these operations from these various locations, without having to obtain any further approvals, or undertake any further processes, under any Applicable Law.

BENEFITS, ENTITLEMENTS, INCENTIVES AND CONCESSION

3.35.7 All benefits, entitlements, incentives and concessions under incentive schemes and policies that the Transferor Company 3 are entitled to, including under service tax, Goods and Services Tax (including the Integrated Goods and Services Tax input tax credit, Central Goods and Services Tax input tax credit and State Goods and Services Tax input tax credit), VAT, sales tax and income tax laws, shall to the extent statutorily available and along with associated obligations, stand transferred to and vested in and be available to the Transferee Company 2, as if the Transferee Company 2 was originally entitled to all such benefits, entitlements, incentives and concessions. All cheques (including post-dated cheques, subject to complying with procedural requirements under Applicable Law, if any) and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company 3, shall on and from the Effective Date stand transferred to, and without any further, act or deed, be treated as having been issued to or by the Transferee Company 2, and shall be accepted by the bankers of the Transferee Company 2 and credited to the account of the Transferee Company 2. All legal rights in relation to such cheques and negotiable instruments shall stand vested in the Transferee Company 2. Any standing instructions concerning payment obligations, or ENACH forms signed by the Transferor Company 3 shall be deemed to have been issued or signed by the Transferee Company 2, and the concerned authority to whom such instructions have been provided or forms signed shall accept the same.

CONTRACTS

3.35.8 All contracts of the Transferor Company 3, including without limitation documents & agreements relating to creation of security, subsisting or having effect immediately before the Effective Date, with respect to the Transferor Company 3, shall stand transferred to and vested in the Transferee Company 2 and be in full force and effect in favour of the Transferee Company 2 and may be enforced by or

against it as fully and effectually as if, instead of Transferor Company 3, the Transferee Company 2 had been a party or beneficiary thereto.

3.35.9 All guarantees provided by any bank in favour of the Transferor Company 3, outstanding as on the Effective Date, shall vest in the Transferee Company 2 and shall ensure to the benefit of the Transferee Company 2 and all guarantees issued by the bankers of the Transferor Company 3, favouring any third party shall be deemed to have been issued at the request of the Transferee Company 2 and continue in favour of such third party till their maturity or earlier termination.

3.35.10 It shall not be necessary to obtain the consent of any third party or other person, who is a party to any such contract or arrangement to give effect to the provisions of this paragraph.

EMPLOYEES:

3.35.11 All the employees in the service of the Transferor Company 3, shall be deemed to have become the employees of the Transferee Company 2, with effect from the Appointed Date, and shall stand transferred to the Transferee Company 2, without any interruption of service and on terms and conditions no less favourable than those on which they are engaged by the Transferor Company 3 as on the Effective Date, including in relation to the level of remuneration and contractual and statutory benefit, incentive plans, terminal benefits, employee stock options and pension schemes, gratuity plans, provident plans, and any other retirement benefits.

3.35.12 In the event of retrenchment of such employees, the Transferee Company 2 shall be liable to pay compensation in accordance with law on the basis that the services of the employees shall have been continuous and shall not have been interrupted by reason of such transfer; and

3.35.13 It is provided that as far as the Provident Fund, Gratuity, Pension, Superannuation Fund or any other special funds that are applicable to the employees of the Transferee Company 2 and existing in the Transferee Company 2 for the benefit of the employees of the Transferee Company 2, the same shall also be extended to the employees of the Transferor Company 3.

3.35.14 All contributions made by any of the Transferor Company 3, on behalf of its employees, and all contributions made by the employees including the interest arising thereon, to the funds standing to the credit of such employees' account with such funds, shall, upon this Scheme becoming effective, be transferred to the funds maintained by the Transferee Company 2, along with such of the investments made

by such funds which are referable and allocable to the employees and the Transferee Company 2 shall stand substituted for the Transferor Company 3 with regard to its obligations to make the said contributions.

3.35.15 In relation to those employees for whom Transferor Company 3 is making contributions to the Government provident fund, the Transferee Company 2 shall stand substituted in its place, for all purposes, including in relation to the obligation to make contributions to such funds in accordance with the provisions of such funds, bye-laws etc., in respect of the employees.

3.35.16 The Transferee Company 2 shall continue to abide by the agreement(s) and settlement(s) entered into with the employees of the Transferor Company 3, if any, in terms of such agreement(s) and settlement(s) subsisting on the Effective Date, in relation to the employees.

EMPLOYEE STOCK OPTION PLAN

3.35.17 In respect of stock options granted by the Transferor Company 3 under the ESOP 1 plans, upon the effectiveness of the Scheme, the Transferee Company 2 shall issue stock options to the employees who are eligible under ESOP 1, taking into account the share exchange ratio as provided for in this Scheme. Such stock options may be issued by the Transferee Company 2 either under its existing ESOP 2 plans or under a revised stock option plan that may be created by the Transferee Company 2. Upon the issue of such stock options by the Transferee Company 2, any and all stock options under ESOP 1 shall automatically be deemed to have lapsed.

3.35.18 The grant of options to the eligible employees pursuant to Clause 3.35.17 of this Scheme shall be effected as an integral part of the Scheme and the consent of the shareholders of the Transferee Company 2 to this Scheme shall be deemed to be their consent in relation to all matters pertaining there to. No further approval of the shareholders of the Transferee Company 2 would be required in this connection under Applicable Law.

3.35.19 It is hereby clarified that in relation to the options granted by the Transferee Company 2 to the eligible employees, the period during which the options granted by the Transferor Company 3 were held by or deemed to have been held by the eligible employees shall be taken into account for determining the minimum vesting period required under Applicable Law or agreement or deed for such stock options.

3.35.20 The Board of Directors of the Transferee Company 2 or any of the committee(s) thereof, including the compensation committee, if any, shall take such

actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this clause of the Scheme.

PROCEEDINGS

3.35.21 With effect from the Appointed Date and upon the Scheme becoming effective, all suits, actions and proceedings of whatsoever nature by or against the Transferor Company 3, shall, on the Effective Date, be continued and enforced by or against the Transferee Company 2.

3.35.22 Upon the Scheme becoming effective the name of the Transferor Company 3, shall stand substituted by the name of the Transferee Company 2 in any pending dispute or arbitral proceedings, and the Transferee Company 2 shall be entitled to continue the proceedings, in its name, from the stage at which the proceedings stand, as on the Effective Date.

3.35.23 The Transferee Company 2 undertakes to have all legal or other proceedings initiated by or against the Transferor Company 3, in respect of matters referred above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company 2 to the exclusion of the Transferor Company 3.

LIABILITIES, DEBTS, OBLIGATIONS & SECURITY:

With effect from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description relatable to the Transferor Company 3 shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company 2, so as to become from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company 2 and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause. With respect to the Transferor Company 3, the aforesaid term 'liabilities' shall also include the non-convertible debentures, issued, raised, incurred and/ or utilized.

Upon the coming into effect of the Scheme and without prejudice to the aforesaid, all debentures, notes and other instruments of like nature (whether convertible into equity shares or not) issued by the Transferor Company 3, including, without limitation, the outstanding non-convertible debentures shall, pursuant to the

provisions of Sections 230 to 232 and other relevant provisions of the Act, without any further act, instrument or deed, become the debt securities of the Transferee Company 2 on the same terms and conditions, except to the extent modified under the provisions of this Scheme all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in and shall be exercised by or against the Transferee Company 2 as if it was the issuer of the debt securities so transferred.

3.35.24 Subject to the requirements, if any, imposed or concessions, if any, granted by the Stock Exchanges, and other terms and conditions agreed with the Stock Exchanges, the non-convertible debentures which stand transferred to the Transferee Company 2 shall be listed and/ or admitted to trading, on the Stock Exchanges, where the non-convertible debentures are currently listed and/ or admitted to trading, on the same terms and conditions, unless otherwise modified in accordance with Applicable Law.

3.35.25 Where any of the liabilities and obligations/assets attributed to the Transferor Company 3 on the Appointed Date have been discharged/ sold by the Transferor Company 3 after the Appointed Date and prior to the Effective Date, such discharge/sale shall be deemed to have been for and on behalf of the Transferee Company 2.

3.35.26 Any payment or discharge of any liabilities, debts or obligations pertaining to the Transferor Company 3 by the Transferee Company 2 shall be deemed to have been made for and on behalf of the Transferor Company 3, and shall constitute a valid discharge.

3.35.27 This Scheme shall not operate to enlarge or extend the security for any of the liabilities of the Transferor Company 3 and the Transferee Company 2 shall not be obliged to create any further or additional security therefor, after the Effective Date, unless otherwise agreed to by the Transferee Company 2.

3.35.28 In so far as the existing security in respect of the Liabilities is concerned, such security shall, without any further act, instrument or deed be modified and shall be extended to, and shall operate only over the assets of the Transferor Company 3 which have been charged and secured, and subsisting as on the Effective Date, in respect of the Liabilities. Provided that if any of the assets of the Transferor Company 3 have not been charged or secured in respect of the Liabilities, such assets shall remain unencumbered and the existing security referred to above shall not be extended to, and shall not operate over such assets.

CANCELLATION OF LISTED NCDs ISSUED BY TRANSFEROR COMPANY 3, AND ISSUE AND LISTING OF NON-CONVERTIBLE DEBENTURES IN LIEU THEREOF BY THE TRANSFEREE COMPANY 2:

3.35.29 As an integral part of the Scheme, upon the same taking effect, the Listed NCDs issued by the Transferor Company 3, shall without any further act, deed or requirement stand cancelled and any liability in respect of the same shall stand extinguished. Further, and in lieu of the cancellation of such Listed NCDs, the Transferee Company 2 will issue to each of the holders of the Listed NCDs, such number of fresh non-convertible debentures equal to the number of Listed NCDs held by them on the same terms and conditions, applicable to the Listed NCDs, as far as practicable. The Transferee Company 2 will further take steps to cause the listing of such non-convertible debentures issued in terms of this clause, in accordance with Applicable Laws. The number of fresh non-convertible debentures to be issued, in lieu of the Listed NCDs, in terms of this clause, has been arrived at and approved by the Board of Directors of the Transferor Company 3 and the Transferee Company 2, based on their respective independent judgment and taking into consideration valuation reports obtained from M/s. Ernst & Young Merchant Banking Services LLP and Ms. Drushti Desai of M/s. Bansi S Mehta & Co., independent Registered Valuers, who have arrived at a valuation of the Listed NCDs.

3.35.30 The Transferee Company 2 will appoint a Debenture Trustee in respect of the non-convertible debentures to be issued in terms of this Scheme, in compliance with the requirements of the SEBI [Issue and Listing of Debt Securities] Regulations, 2008, and the provisions of the Act, and such other requirements of Applicable Laws, as may be relevant in this regard.

Tax Treatment

3.35.31 All taxes, rates, duties, fees, cess etc., that are allocable, referable or related to the Transferor Company 3 and, payable, whether due or not, from the Appointed Date, including all advance tax payments, tax deducted at source, tax liabilities, tax obligations or any refunds, credits and claims shall, for all intent and purposes, be treated as the liability, obligations or refunds, credit and claims, as the case may be, of the Transferee Company 2.

3.35.32 Further, it will be deemed that the benefit of any tax credits whether central, state or local, availed by the Transferor Company 3, and the obligations, if any, for payment of taxes on any assets etc. shall be deemed to have been availed by Transferee Company 2.

3.35.33 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess receivable/payable by the Transferor Company 3, including all or any refunds/credit/claims/tax losses /unabsorbed depreciation relating thereto shall be treated as the asset/liability or refunds/credit/claims/tax losses /unabsorbed depreciation, as the case may be, of the Transferee Company 2.

3.35.34 The Transferee Company 2 is expressly permitted to revise its tax returns, electronically or physically after taking credit for all taxes paid including tax deducted at source (TDS) certificates/ returns, wealth tax returns, service tax, excise duty, sales tax, value added tax, entry tax, cess, professional tax or any other statutory returns, if required, and shall be entitled to claim credit for advance tax paid, claim for sum(s) prescribed under Section 43B of the Income Tax Act, 1961 on payment basis, claim for deduction of provisions written back by Transferee Company 2 previously disallowed in the hands of Transferor Company 3 under the Income Tax Act, 1961 credit of tax under section 115JB read with section 115JAA of the Income Tax Act, 1961 credit of foreign tax paid/withheld, if any, pertaining to Transferor Company 3, consequent to implementation of this Scheme and where necessary to give effect to this Scheme, even if the prescribed time limit for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum to claim refunds, advance tax credits, excise and service tax credits, set off, etc., on the basis of the accounts of the Transferor Company 3 upon the coming into effect of this Scheme.

3.35.35 It is further clarified that the Transferee Company 2 shall have the right to claim refunds, tax credits, set-offs and/or adjustments relating to the income or transactions it has entered into, by virtue of this Scheme with effect from the Appointed Date. The taxes or duties paid by, for, or on behalf of the Transferor Company 3, relating to the period on or after Appointed Date, shall be deemed to be the taxes or duties paid by the Transferee Company 2, which shall be entitled to claim credit or refund for such taxes or duties.

Books and Records

3.35.36 All books, records, files, papers, catalogues, quotations, advertising materials, if any, lists of present and former clients, subscribers, and all other books and records, whether in physical or electronic form, of the Transferor Company 3, to the extent possible and permitted under Applicable Laws, be handed over by them to the Transferee Company 2.

Conduct of business till the effective date:

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

(a) The Transferor Company 3 shall both carry on, and be deemed to have been carrying on, all business activities and shall hold and stand possessed, and shall be deemed to have held and possessed, of all the assets, rights, title, interest, authorities, contracts, investments, decisions for and on account of, and in trust for, the Transferee Company 2.

(b) All profits or income or taxes, including but not limited to income tax, fringe benefit tax, advance taxes, tax deducted at source by or on behalf of the Transferor Company 3, minimum alternate tax credit, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, wealth tax, sales tax, value added tax, excise duty, service tax, Goods and Services Tax,customs duty, refund, reliefs, etc., accruing or arising to the Transferor Company 3, or losses arising or expenditure incurred by it, on and from Appointed Date upto the Effective Date, shall for all purposes be treated as, and be deemed to be treated as, the profits or income or losses or expenditure or the taxes of the Transferee Company 2.

(c) The Transferor Company 3 shall carry on its business activities with proper prudence and diligence and shall not, without prior written consent of the Transferee Company 2, alienate, charge or otherwise deal with or dispose off any of its business Undertaking(s) or any part thereof (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Company 3 prior to the Appointed Date).

(d) The Transferor Company 3 shall be permitted to make modification to its capital structure, either by an increase (by issue of rights shares, bonus shares, convertible debentures or otherwise), decrease, reclassification, sub-division or reorganisation or in any other manner, whatsoever, in the normal course of business without having to seek the explicit consent of the Board of Directors of the Transferee Company 2.

(e) The Transferor Company 3 shall not vary, except in the ordinary course of business, the terms and conditions of employment of its employees without the consent of the Board of Directors of the Transferee Company 2, and any promotions, increments etc., provided to employees shall be as per standard business practices employed in the normal course of business by Transferor Company 3.

(f) All assets acquired, leased or licensed, benefits, entitlements, incentives and concessions granted, contracts entered into, liabilities incurred and proceedings initiated or made party to, between the Appointed Date and the Effective Date by the Transferor Company 3 shall be deemed to be transferred to and vested in the Transferee Company 2. For avoidance of doubt, where any of the Liabilities as on the Appointed Date [deemed to have been transferred to the Transferee Company 2] have been discharged by the Transferor Company 3, on or after the Appointed Date, but before the Effective Date, such discharge shall be deemed to have been for and on behalf of the Transferee Company 2 for all intent and purposes and under Applicable Laws.

(g) With effect from the Effective Date, the Transferee Company 2 shall carry on and shall be authorized to carry on the businesses of the Transferor Company 3, and till such time as the name of the account holder in the bank accounts of the Transferor Company 3, are substituted by the bank in the name of the Transferee Company 2, the Transferee Company 2 shall be entitled to operate such bank accounts of the Transferor Company 3, in its name, in so far as may be necessary.

(h) To the extent possible, pending sanction of this Scheme, the Transferor Company 3, or the Transferee Company 2 shall be entitled to apply to the relevant Governmental Authorities and other third parties, concerned, as may be necessary under any law or contract for transfer or modification of such consents, approvals and sanctions which the Transferee Company 2 may require to own and carry on the businesses of the Transferor Company 3, with effect from the Effective Date and subject to this Scheme being sanctioned.

(i) For the purpose of giving effect to the order passed under Sections 230 to 232 of the Act, in respect of this Scheme, by the NCLT, the Transferee Company 2 shall, upon the Scheme becoming effective, be entitled to get the record of the change in the legal right(s) standing in the names of the Transferor Company 3, in its favour in accordance with such order and the provisions of the Act, and Applicable Laws.

(j) The Transferor Company 3 shall declare or pay any dividends, as per its usual practice, and in accordance with the applicable provisions of the Companies Act, 2013, whether interim or final, to its equity shareholders in respect of the accounting period prior to the Appointed Date, and between the Appointed Date and Effective Date (subject to Applicable Law), without requiring any prior approval from the Board of Directors of Transferee Company 2.

3.36 **CONSIDERATION**

3.36.1 Upon coming into effect of this Scheme and in consideration for:

The amalgamation, transfer and vesting of Transferor Company 3 with Transferee Company 2, in terms of this Scheme, the shareholders of the Transferor Company 3 [other than Transferor Company 2] whose names are reflected in the Register of Members of the Transferor Company 3 as on Record Date 2; will be allotted shares in the following manner:

For every One Hundred fully paid equity shares of Rs. 10 [Indian Rupees Ten] each held in Transferor Company 3, by the shareholders other than Transferor Company 2, they will be entitled to One Hundred and Fifty Five fully paid equity shares of Rs. 10 [Indian Rupees Ten] each in Transferee Company 2.

3.36.2 The allotments of shares under Clause 3.36.1 above, of this Scheme by the Transferee Company 2 shall be made without any further application or deed, and to such of the shareholders of the Transferor Company 3, as on the Record Date 2 which date shall be decided by the Board of Directors of the Transferee Company 2.

3.36.3 The equity shares to be issued and allotted under Part III – Section V of the Scheme by the Transferee Company 2 shall be subject to its Memorandum of Association and Articles of Association. The equity shares issued by the Transferee Company 2 shall rank pari passu in all respects, including dividends, voting and other rights, with its existing equity shares. The Board of Directors of the Transferee Company 2, shall, if and to the extent required, apply for and obtain any approvals from concerned Government / Regulatory authorities for the issue and allotment of equity shares pursuant to this Scheme. The approval of this Scheme by the shareholders of all the concerned companies under Sections 230 to 232 of the Act, shall be deemed to constitute the approvals as may be required under any other applicable provisions of the Act and any other consents and approvals required in this regard.

3.36.4 On the Scheme becoming effective, and by virtue of the amalgamation of the Transferor Company 3 with the Transferee Company 2, the equity shares held by the Transferor Company 2 in Transferor Company 3, and considering that Transferor Company 2 is itself amalgamating with Transferee Company 2, shall stand cancelled.

3.37 **ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY 2**

3.37.1 Upon effectiveness of the Scheme and with effect from the Appointed Date, the amalgamation will be accounted in accordance with the “acquisition method”

prescribed under the Indian Accounting Standard – 103 Business Combinations as notified under Section 133 of the Act, read together with Paragraph 3 of the Companies (Indian Accounting Standard) Rules, 2015.

3.37.2 The Transferee Company 2 shall recognise separately from goodwill, if any; the identifiable assets acquired, and the liabilities taken over, including such assets and liabilities that the Transferor Company 3 had not previously recognised in its financial statements.

3.37.3 The Transferee Company 2 shall measure the identifiable assets acquired and liabilities taken over at fair values determined as on Appointed Date.

3.37.4 The Transferee Company 2 shall record the equity shares issued and allotted as consideration at fair value as on the Appointed Date. The total face value of the equity shares on such issue shall be added to the share capital account and the balance shall be added to the securities premium account.

3.38 **SAVING OF CONCLUDED TRANSACTIONS**:

The transfer and vesting of the Transferor Company 3 with and into the Transferee Company 2 under Part III of this Scheme, shall not affect any transaction or proceedings already completed or liabilities incurred by the Transferor Companies, either prior to, or on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company 2 shall accept and adopt all acts, deeds and things done and executed by or on behalf of the Transferor Company 3, in respect thereto as acts, deeds and things done and executed by and on behalf of itself.

3.39 **DISSOLUTION OF THE TRANSFEROR COMPANY 3**

Subject to an order being made by the NCLT under Sections 230 to 232 of the Act, the Transferor Company 3 shall stand dissolved without the process of winding up on the Scheme becoming effective in accordance with the provisions of the Act and the Rules made thereunder.

Section VI:

ALLOTMENT OF SHARES ON ACCOUNT OF INCREASE IN TRANSFEROR COMPANY 2 SHAREHOLDING:

4. <u>ALLOTMENT OF SHARES ON ACCOUNT OF INCREASE IN TRANSFEROR COMPANY 2'S SHAREHOLDING IN TRANSFEROR COMPANY 3 AND/OR TRANSFEREE COMPANY 2:</u>

4.1 Upon coming into effect of this Scheme and in addition to the allotment of shares provided for in Sections II, III, IV, and V of Part – III of this Scheme:

i. In the event of the Transferor Company 2, prior to the Effective Date 2, acquiring additional fully paid-up equity shares in the Transferee Company 2 and/or the Transferor Company 3; the shares to be allotted to each of the shareholders of the Transferor Company 2 will be adjusted for such increase in the shareholding of the Transferor Company 2 in the Transferee Company 2 and/or Transferor Company 3, proportionate to the extent of their shareholding in Transferor Company 2, on the following basis:

- In respect of every 1 additional share of the Transferee Company 2 so acquired by Transferor Company 2, the shareholders of the Transferor Company 2, for every 1 share held by them in Transferor Company 2, be entitled to 1 additional share of the Transferee Company 2, with the number of shares to be allotted out of such additional share(s) to each of such shareholders, being in proportion to their shareholding(s) in Transferor Company 2;

- In respect of every 1 additional share of the Transferor Company 3 so acquired by Transferor Company 2, the shareholders of the Transferor Company 2 , for every 1 share held by them in Transferor Company 2 , and considering that Transferor Company 3 is as a part of this Scheme, being amalgamated with Transferee Company 2, be entitled to additional share(s) of the Transferee Company 2 [based on the entitlement ratio(s) for the allotment of shares of Transferee Company 2 for shares held in Transferor Company 3], with the number of shares to be allotted out of such additional share(s) to each of the shareholders, being in proportion to their shareholding(s) in Transferor Company 2 ;

4.2 The share exchange ratios as set out in the various Sections of Part III of the Scheme have been arrived at and approved by the Board of Directors of the Transferor Companies, Resulting Companies, SFVPL and the Transferee Companies, based on their respective independent judgment and taking into consideration valuation reports obtained from M/s. Ernst & Young Merchant Banking Services LLP and Ms. Drushti Desai of M/s. Bansi S Mehta & Co., Independent Registered Valuers, who

have arrived at a valuation of the shares of the Companies involved, by applying various parameters as customarily adopted in such valuation exercise, including inter alia the audited accounts/limited review accounts, of the Companies involved as on 30.09.2021. In addition, in so far as the Transferor Company 3 and Transferee Company 2 are concerned, such independent Registered Valuers have also considered the quoted price of the respective company's shares listed on the Stock Exchanges. Further, in respect of the Transferor Company 3 and Transferee Company 2, the Board of Directors of such Companies have also considered the fairness report of M/s. JM Financial Limited and M/s. HSBC Securities and Capital Market (India) Private Limited, respectively placed before them. The Board of Directors of the Transferor Companies, Resulting Companies, SFVPL and the Transferee Companies have come to the conclusion that the proposed share exchange ratios are fair and reasonable to the shareholders of each of the Companies involved.

4.3 All share issuances under this Scheme by the Transferee Company 2 shall be in compliance with the requirements of the SEBI LODR Regulations and the SEBI Master Circular, and other requirements of Applicable Laws. The new equity shares to be issued by Transferee Company 2, pursuant to the Scheme, will be listed and/or admitted to trading on the BSE and NSE where the equity shares of the Transferee Company 2 are listed and/or admitted to trading. The Transferee Company 2 shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the Applicable Laws or regulations for complying with the formalities of the aforesaid Stock Exchanges. On such formalities being fulfilled the said Stock Exchanges shall list and /or admit such new equity shares also for the purpose of trading. The new equity shares allotted by the Transferee Company 2, pursuant to the Scheme, shall remain frozen in the depositories system till the listing / trading permission is given by the BSE and NSE. Further, there shall be no change in the shareholding pattern or control in Transferee Company 2 between the Record Date 2 and the listing of the new equity shares allotted by Transferee Company 2. No fractional certificate(s) shall be issued by the Transferee Company 2 in respect of any fractions which the equity shareholders of Transferor Companies 2 and 3 may be entitled to on issue and allotment of new equity shares pursuant to the Scheme. The Board of Directors of the Transferee Company 2 shall instead, consolidate all such fractional entitlements and allot new equity shares in lieu thereof to a trust as the Board of Directors of Transferee Company 2 shall appoint in this regard who shall hold the new equity shares in trust on behalf of the equity shareholders entitled to such fractional entitlements with express understanding that such trust shall sell such shares in the market at such price, within a period of 90 days from the date of allotment of shares, and arrange for

the net sale proceeds, after applicable deductions, to the equity shareholders entitled in proportion to their respective fractional entitlements. In case the number of such new shares to be allotted to the said trust by virtue of consolidation of fractional entitlements is a fraction, one additional equity share will be issued in the Transferee Company 2, subject to Applicable Laws. The equity shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. As mandated under the regulations framed by SEBI in this regard, the Transferee Company 2 will issue shares pursuant to the Scheme only in electronic form and to the demat account of the respective shareholders. In the event of any shareholder failing to communicate their demat account details to the Transferee Company 2 before the Record Date 2, the shares issued by the Transferee Company 2 will be kept in a suspense account, and will be credited to the demat account(s) of the respective shareholders, as and when such details are received.

PART IV:

5 INCREASE OF AUTHORIZED CAPITAL OF THE TRANSFEREE COMPANY 2 AND RESULTING COMPANIES:

5.1 Upon the Scheme becoming effective, and as an integral part thereof, the authorized share capital of the Transferee Company 2, shall stand increased, without any further act, deed or requirement, such that the increased authorized share capital of the Transferee Company 2 shall be a sum of Rs.4,265,50,00,000/- (Rupees Four Thousand Two Hundred and Sixty Five Crores Fifty Lakhs Only), consisting of 297,55,00,000 equity shares of Rs.10 each and 12,90,00,000 Preference Shares of Rs.100 each, on payment of appropriate fee payable for such increase in the authorised capital after adjusting the fee paid by the Transferor Company 1, Transferor Company 2 and the Transferor Company 3 each in respect of their authorised capital, as envisaged under section 232(3)(i) of the Act.

5.2 Accordingly, the capital clause in the Memorandum of Association of the Transferee Company 2 shall stand amended and will read as follows:

"The Authorized Share Capital of the Company is Rs.4,265,50,00,000/- (Rupees Four Thousand Two Hundred and Sixty Five Crores Fifty Lakhs Only), consisting of 297,55,00,000 equity shares of Rs.10 each and 12,90,00,000 Preference Shares of Rs.100 each".

5.3 Upon the Scheme becoming effective, and as an integral part thereof, the authorized share capital of the Resulting Company 1, shall stand increased, without any further act, deed or requirement, such that the increased authorized share capital of the Resulting Company 1 shall be a sum of Rs.300,00,00,000/- (Rupees Three Hundred Crores Only), consisting of 200,00,00,000 equity shares of Re.1/- each and 1,00,00,000 Preference Shares of Rs.100 each, on payment of appropriate fee payable for such increase in the authorised capital after adjusting the fee paid by the Demerged Company in respect of its authorised capital, as envisaged under section 232(3)(i) of the Act.

5.4 Accordingly, the capital clause in the Memorandum of Association of the Resulting Company 1 shall stand amended and will read as follows:

"The Authorized Share Capital of the Company is Rs.300,00,00,000/- (Rupees Three Hundred Crores Only), consisting of 200,00,00,000 equity shares of Re.1/- each and 1,00,00,000 Preference Shares of Rs.100 each".

5.5 Upon the Scheme becoming effective, and as an integral part thereof, the authorized share capital of the Resulting Company 2, shall stand increased, without any further act, deed or requirement, such that the increased authorized share capital of the Resulting Company 2 shall be a sum of Rs.300,00,00,000/- (Rupees Three Hundred Crores Only), consisting of 200,00,00,000 equity shares of Re.1/- each and 1,00,00,000 Preference Shares of Rs.100 each, on payment of appropriate fee payable for such increase in the authorised capital after adjusting the fee paid by the Demerged Company in respect of its authorised capital, as envisaged under section 232(3)(i) of the Act.

5.6 Accordingly, the capital clause in the Memorandum of Association of the Resulting Company 2 shall stand amended and will read as follows:

"The Authorized Share Capital of the Company is Rs.300,00,00,000/- (Rupees Three Hundred Crores Only), consisting of 200,00,00,000 equity shares of Re.1/- each and 1,00,00,000 Preference Shares of Rs.100 each".

5.7 Upon the Scheme becoming effective, and as an integral part thereof, the authorized share capital of the Resulting Company 3, shall stand increased, without any further act, deed or requirement, such that the increased authorized share capital of the Resulting Company 3 shall be a sum of Rs. Rs.700,00,00,000/- (Rupees Seven Hundred Crores Only), consisting of 200,00,00,000 equity shares of Re.1/- each and 5,00,00,000 Preference Shares of Rs.100 each, on payment of appropriate fee payable for such increase in the authorised capital after adjusting the fee paid by the Demerged Company in respect of its authorised capital, as envisaged under section 232(3)(i) of the Act.

5.8 Accordingly, the capital clause in the Memorandum of Association of the Resulting Company 3 shall stand amended and will read as follows:

"The Authorized Share Capital of the Company is Rs.700,00,00,000/- (Rupees Seven Hundred Crores Only), consisting of 200,00,00,000 equity shares of Re.1/- each and 5,00,00,000 Preference Shares of Rs.100 each".

5.9 The Transferee Company 2, and the Resulting Companies 1, 2 and 3 shall upon the Scheme taking effect, file all requisite forms with the Registrar of Companies for such increase in the authorised capital of the respective companies.

PART V

GENERAL TERMS AND CONDITIONS

6. INCIDENTAL AND ANCILLARY PROVISIONS:

6.1 The Transferor Companies, Demerged Company, SFVPL Resulting Companies and the Transferee Companies respectively shall obtain the requisite consents, approval or permission of any authority as may be required or which by law may be necessary.

6.2 The Companies shall, with reasonable dispatch, make respective applications to the Benches of the NCLT having jurisdiction over each of the Companies, under Sections 230 to 232 and other applicable provisions of the Act, seeking necessary orders or directions for convening, holding and/or conducting meetings of the classes of their respective shareholders, and/or dispensing with the same, and for sanctioning this Scheme of Arrangement and Amalgamation with such modifications, as may be approved by the Tribunal.

6.3 Upon this Scheme being approved by the requisite majority of the Shareholders of the Companies (wherever required), the Companies shall, with all reasonable dispatch, file respective petitions before the NCLT for sanction of the Scheme under Sections 230 to 232 and other applicable provisions of the Act, and for such other Order or Orders, as the Tribunal may deem fit for carrying the Scheme into effect. Upon this Scheme being approved by the requisite majority of the Shareholders of the Companies, the shareholders shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in the Scheme.

6.4 As an integral part of this Scheme, and without the requirement of any further act, deed, approval or consent, the borrowing powers of the Transferee Company 2 shall stand increased to an amount of Rs.1,90,000,00,00,000/- (Rupees One Lakh Ninety Thousand Crores), and the approval of this Scheme under section 230 to 232 of the Act, will be deemed to constitute the approvals required under all other applicable provisions of the Act and Applicable Laws. The Transferee Company 2 shall upon the Scheme taking effect, file all requisite forms with the Registrar of Companies for such increase in the borrowing powers.

6.5 Upon the Scheme taking effect, any and all special rights or restrictive covenants provided to, in favour of, or for the benefit of any of the shareholders of Transferor Companies 1, 2 and 3, will in relation to the Transferee Company 2, automatically

cease to apply, and the Transferee Company 2 will not be bound to recognize or give effect to any such rights or covenants.

6.6 Any change in control of the Transferee Company 2 within the meaning of the SEBI (Substantial Acquisition of Shares and Takeovers), Regulations, 2011, as a result of the Scheme taking effect , shall be covered under the General Exemptions set out in Regulation 10 of the said Regulations. Further, and by virtue of the Transferor Company 2, which is named as the promoter of Transferee Company 2, being dissolved without winding up in terms of the Scheme and considering that SFVPL pursuant to the Scheme taking effect will constitute the single largest shareholder of the Transferee Company 2, SFVPL (already classified as promoter) and SOT, by virtue of its shareholding in Transferee Company 2 will be classified as the promoters of the Transferee Company 2 and all filings with the Stock Exchanges will reflect such position.

6.7 For the purpose of determining the Stamp Duty, if any payable in respect of the order passed by the jurisdictional NCLT approving the Scheme and in particular the amalgamation contemplated in Section I of Part III of the Scheme, the value of the shares issued by the Transferee Company 1 to the shareholders of the Transferor Company 1 will be to the extent of 28,67,00,993 equity shares of Re.1/- each aggregating to Rs.28,67,00,993/- (Rupees Twenty Eight Crores Sixty Seven Lakhs Nine Hundred and Ninety Three Only).

6.8 For the purpose of determining the Stamp Duty, if any payable in respect of the order passed by the jurisdictional NCLT approving the Scheme, in view of the fact that the Financial Services Undertaking, Life Insurance Undertaking and General Insurance Undertaking of the Demerged Company are being transferred to and vested in the Resulting Companies 1, 2 and 3 respectively, at their respective Book Values, as required under the provisions of the Income-Tax Act and the applicable Accounting Standards and consequently, the shareholders of the Demerged Company will be issued shares by the respective Resulting Companies 1, 2 and 3 in the same manner and to the same extent and value, as held by them in the Demerged Company and, the value of such shares that will be issued to them by each of the Resulting Companies 1, 2 and 3 shall be Rs.107,44,13,131 (Rupees One Hundred and Seven Crores Forty Four Lakhs Thirteen Thousand One Hundred and Thirty One Only).

6.9 Upon the Scheme becoming effective, and without any further act, deed, consent or approval being required, the name of the Transferee Company 2 will be altered to

Shriram Finance Limited or such other name as may be approved by the Registrar of Companies, Ministry of Corporate Affairs, subject to the Transferee Company 2 filing all necessary forms and applications in this regard. The approval of the shareholders of the Transferee Company 2 and the approval of the NCLT to the Scheme shall be considered as the approval required under the provisions of the Act for such change of name.

7. MODIFICATIONS/AMENDMENTS TO THE SCHEME

7.1. The Transferor Companies, SFVPL, Demerged Company, Resulting Companies and the Transferee Companies, through their respective Board of Directors including Committees of Directors or other persons, duly authorized by the respective Boards in this regard, may make, or assent to, any alteration or modification to this Scheme or to any conditions or limitations, which the Tribunal or any other Competent Authority may deem fit to direct, approve or impose and may give such directions as they may consider necessary, to settle any doubt, question or difficulty, arising under the Scheme or in regard to its implementation or in any manner connected therewith and to do and to execute all such acts, deeds, matters and things necessary for putting this Scheme into effect, or to review the portion relating to the satisfaction of the conditions to this Scheme and if necessary, to waive any of those (to the extent permitted under law) for bringing this Scheme into effect.

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

7.3. For the purpose of giving effect to the Scheme after it is sanctioned by the Tribunal, the Directors of the Transferee Company 2 and the Resulting Companies 1, 2 and 3, as may be applicable are authorized to identify/allocate/apportion the assets and liabilities covered under the Scheme.

8. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS

This Scheme is conditional on and subject to satisfaction or waiver of following–

8.1. The Scheme being agreed to by the requisite majorities of the shareholders of the respective Transferor Companies, SFVPL, Demerged Company, Resulting Companies and the Transferee Companies, at meetings to be convened and held, in accordance with the provisions of Sections 230 to 232 of the Act, and other applicable provisions, and the applicable SEBI regulations with respect to the Transferor Company 3 and Transferee Company 2.

Transferor Company 3 and Transferee Company 2 shall comply with the provisions of SEBI Master Circular on Schemes of Listed Companies, while, inter alia, procuring the approval of its respective public shareholders and shall provide for voting by such public shareholders in accordance with Applicable Laws.

8.2. The Scheme being sanctioned by the Bench(es) of the NCLT having jurisdiction over the Transferor Companies, SFVPL, Demerged Company, Resulting Companies and the Transferee Companies;

8.3. The filing with the Registrar of Companies having jurisdiction over the Transferor Companies, SFVPL, Demerged Company, Resulting Companies and the Transferee Companies, of certified copies of the order sanctioning the Scheme.

8.4. The requisite consent, approval or permission from the necessary and concerned Government Authorities, including but not limited to, the Competition Commission of India, the IRDAI to the extent required under the IRDAI Regulations, Reserve Bank of India, the concerned Stock Exchanges and/or SEBI, which by law or otherwise may be necessary for the implementation of this Scheme;

9. SEQUENCING OF THE SCHEME:

The Scheme set out herein in its present form or with any modification(s) approved or directed by the NCLT or any other Governmental Authority shall take effect as follows.

9.1. Section I of Part III of the Scheme will be given effect to and operate on the Effective Date 1, but with effect from the Appointed Date, and shall be deemed to have taken effect prior to the Parts of the Scheme set out in Clause 9.2 below.

9.2. Sections II, III, IV, V and VI of Part III of this Scheme will be given effect to and operate on the Effective Date 2, but with effect from the Appointed Date in the following sequence as on the Appointed Date:

i. Section II of Part III of the Scheme (Demerger of the Financial Services Undertaking of the Demerged Company into Resulting Company 3 and matters connected therewith).

ii. Section III of Part III of the Scheme (Demerger of the Life Insurance and General Insurance Undertakings of the Demerged Company into Resulting Companies 1 and 2 respectively and matters connected therewith).

iii. Section IV of Part III of the Scheme (Amalgamation of the Transferor Company 2 with Transferee Company 2 and matters connected therewith).

iv. Section V of Part III of the Scheme (Amalgamation of the Transferor Company 3 with Transferee Company 2 and matters connected therewith).

v. Section VI of Part III of the Scheme (Allotment of shares on account of increase in Transferor Company 2's shareholding).

10. REVOCATION AND WITHDRAWAL OF THE SCHEME:

The Board of Directors of the Transferor Companies, SFVPL, Demerged Company, Resulting Companies and the Transferee Companies shall be jointly entitled to revoke, cancel, withdraw and declare this Scheme to be of no effect at any stage and where applicable, re-file, at any stage in case (a) this Scheme is not approved by the majority of the shareholders of the respective Transferor Companies, SFVPL, Demerged Company, and/or the Resulting Companies and/or the Transferee Companies and/or the Tribunal or if any other consents, approvals, permissions, resolutions, agreements, sanctions and conditions required for giving effect to this Scheme are not received or delayed; (b) any condition or modification imposed by the shareholders of the Transferor Companies and/or SFVPL and/or the Demerged Company and/or the Resulting Companies and/or the Transferee Companies, or the Tribunal or any other authority is not acceptable; (c) the coming into effect of this Scheme in terms of the provisions hereof or filing of the orders with any Governmental Authority could have

adverse implication on any of the Transferor Companies and/or SFVPL and/or the Demerged Company and/or the Resulting Companies and/or the Transferee Companies; or (d) for any other reason whatsoever, including inter alia, the non-receipt of any mandatorily required approvals as may be required and referred to in Clause 8 of the Scheme, and do all such acts, deeds, things, as they may deem necessary and desirable in connection therewith and incidental thereto. On revocation, cancellation or withdrawal, this Scheme shall stand revoked, cancelled or withdrawn and be of no effect and in that event, no rights and liabilities whatsoever shall accrue or be incurred *inter-se* between the Transferor Companies, SFVPL, the Demerged Company, the Resulting Companies and the Transferee Companies, or their respective shareholders or employees or any other person, save and except in respect of any act or deed one prior thereto as is contemplated hereunder or as to any right, liability, or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved and worked out in accordance with Applicable Law and in such case, each party shall bear its own costs, unless otherwise mutually agreed.

11. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges, levies, fees, duties and expenses of the Transferor Companies, SFVPL, Demerged Company, Resulting Companies and the Transferee Companies respectively in relation to or in connection with negotiations leading up to the Scheme and of carrying out and completing the terms and provisions of this Scheme and in relation to or in connection with the Scheme shall be borne and paid by the respective company. The expenses incurred by Transferor Companies, SFVPL, Demerged Company, Resulting Companies and the Transferee Companies as per the terms and conditions of this Scheme, including stamp duty expenses, if any, shall be allowed as deduction in accordance with section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.

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Shriram City Union Finance Limited (SCUF) **DETAILS OF NCD AS OF NOVEMBER 30, 2021** **Annexure A**

Name of the issuer	ISIN number	Face Value	Issuance date	Maturity date	Coupon rate	Default rate	Payment frequency		Embedded option if any	Amount issued Rs. in Crores	Amount Outstanding as of November 30, 2021	Credit Rating	Put option	Call Option
SCUF	INE722A07786	1000000	05-12-2017	05-12-2022	0.0809	Not Applicable	Redemption at maturity	Annual & Maturity		80.00	80.00	CARE AA+ Stable		
SCUF	INE722A07851	1000000	12-09-2018	04-04-2022	ZERO COUPON	Not Applicable	Not applicable	Upon Maturity	N.A.	80.00	80.00	CARE AA+ Stable		
SCUF	INE722A07869	1000000	12-09-2018	29-09-2022	ZERO COUPON	Not Applicable	Not applicable	Upon Maturity	N.A.	85.00	85.00	CARE AA+		
SCUF	INE722A07802	1000000	26-03-2018	27-03-2023	8.90%	Not Applicable	Redemption at maturity	Annual & Maturity	N.A.	115.00	115.00	CARE AA+		
SCUF	INE722A07984	1000	25-09-2019	25-09-2022	0.097	Payment of interest in connection with any delay in allotment, listing, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyind the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates stipulated under applicable laws.	Redemption at maturity	Annual & Maturity	N.A.	15.82	15.82	CARE AA+/Stableand "CRISIL AA/Stable"		
SCUF	INE722A07992	1000	25-09-2019	25-09-2022	0.093	Same as above	Redemption at maturity	Monthly & Maturity	N.A.	13.24	13.24	CARE AA+/Stableand "CRISIL AA/Stable"		
SCUF	INE722A07AA8	1000	25-09-2019	25-09-2022	NA	Same as above	Redemption at maturity	Upon Maturity	N.A.	8.23	8.23	CARE AA+/Stableand "CRISIL AA/Stable"		
SCUF	INE722A07AB6	1000	25-09-2019	25-09-2024	0.0985	Same as above	Redemption at maturity	Annual & Maturity	N.A.	52.27	52.27	CARE AA+/Stableand "CRISIL AA/Stable"		
SCUF	INE722A07AC4	1000	25-09-2019	25-09-2024	0.0945	Same as above	Redemption at maturity	Monthly & Maturity	N.A.	11.05	11.05	CARE AA+/Stableand "CRISIL AA/Stable"		
SCUF	INE722A07AD2	1000	25-09-2019	25-09-2024	NA	Same as above	Redemption at maturity	Upon Maturity	N.A.	5.64	5.64	CARE AA+/Stableand "CRISIL AA/Stable"		
SCUF	INE722A07901	1000	30-04-2019	30-04-2022	0.0965	Same as above	Redemption at maturity	Annual & Maturity	N.A.	64.90	64.90	CARE AA+/Stableand "CRISIL AA/Stable"		
SCUF	INE722A07919	1000	30-04-2019	30-04-2022	0.0926	Same as above	Redemption at maturity	Monthly & Maturity	N.A.	40.84	40.84	CARE AA+/Stable and "CRISIL AA/Stable"		
SCUF	INE722A07927	1000	30-04-2019	30-04-2022	NA	Same as above	Redemption at maturity	Upon Maturity	N.A.	24.61	24.61	CARE AA+/Stable and "CRISIL AA/Stable"		
SCUF	INE722A07935	1000	30-04-2019	30-04-2024	0.0975	Same as above	Redemption at maturity	Annual & Maturity	N.A.	66.15	66.15	CARE AA+/Stable and "CRISIL AA/Stable"		
SCUF	INE722A07943	1000	30-04-2019	30-04-2024	0.0935	Same as above	Redemption at maturity	Monthly & Maturity	N.A.	35.06	35.06	CARE AA+/Stable and "CRISIL AA/Stable"		
SCUF	INE722A07950	1000	30-04-2019	30-04-2024	NA	Same as above	Redemption at maturity	Upon Maturity	N.A.	20.94	20.94	CARE AA+/Stable and "CRISIL AA/Stable"		
SCUF	INE722A07AF7	1000000	28-02-2020	28-02-2023	9.25%	Incase of default in payment of interest and/ or principal redemption on the due dates, additional interest @ 2% p.a. over the Coupon rate will be payable by the issuer for the defaulting period. Incase of default by the issuer in the performance of any of the covenants of this Issuance, including but not limited to the financial covenants of this Issuance additional interest @2% p.a. over the Coupon rate will be payable by the issuer for the defaulting period.	Redemption at maturity	Quarterly	N.A.	500.00	240.00	IND AA/Stable	28-05-2021, 28-02-2022	NA
SCUF	INE722A07AU6	1000000	28-02-2020	28-05-2024	9.25%	Incase of default in payment of interest and/ or principal redemption on the due dates, additional interest @ 2% p.a. over the Coupon rate will be payable by the issuer for the defaulting period. Incase of default by the issuer in the performance of any of the covenants of this Issuance, including but not limited to the financial covenants of this Issuance additional interest @2% p.a. over the Coupon rate will be payable by the issuer for the defaulting period.	Redemption at maturity	Quarterly & Maturity	N.A.	500.00	500.00	IND AA/Stable	27-05-2021, 27-08-2022, 27-05-2023	NA

SCUF	INE722A07AH3		05-03-2020	05-03-2022	9.70%	Without prejudice to any other rights and remedies available to the Debenture Trustee pursuant to the terms of Transaction Documents: 1. If, at any time, a payment default occurs, the Company agrees to pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the Debentures (including the outstanding principal amounts and any accrued but unpaid interest) from the date of occurrence of such a payment default until such payment default is cured or the Debentures are fully redeemed. 2. If the Company fails to execute the Debenture Trust Deed and/or any other charge related documents and perfect the same on or before the expiry of the timelines mentioned herein, then the Company shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) pay additional interest at the rate of 2% (Two Percent) per annum over above the applicable Interest Rate on all amounts outstanding NCDs from the Issue Closure Date until such time conditions prescribed herein by Debenture Holders (if any) have been complied with. 3. If, at any time, a breach of any terms, covenants including but not limited to financial covenants, or representation or warranty of the Issuer and any other obligations of the Issuer under the Transaction Documents, the Issuer agrees to pay additional coupon at the rate of 2% (Two Percent) p.a. over and above the applicable Coupon Rate on all amounts outstanding under the relevant series of Debentures (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a breach, until the Debentures are fully redeemed or till the covenants criteria has been replenished. 4. In the event there is any delay in listing of the Debentures beyond 20 (twenty) calendar days from the Deemed Date of Allotment, the Company will pay additional interest of 1% (One percent) per annum over the Interest Rate, from the expiry of 30 (thirty) calendar days from the Deemed Date of Allotment till the listing of the NCDs is completed.	Redemption at maturity	Annual & Maturity	N.A.	550.00	550.00	CRISIL AA/Stable		

SCUF	INE722A07AG5	1000000	05-03-2020	05-03-2023	9.25%	Without prejudice to any other rights and remedies available to the Debenture Trustee pursuant to the terms of Transaction Documents: 1. If, at any time, a payment default occurs, the Company agrees to pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the Debentures (including the outstanding principal amounts and any accrued but unpaid interest) from the date of occurrence of such a payment default until such payment default is cured or the Debentures are fully redeemed. 2. If the Company fails to execute the Debenture Trust Deed and/or any other charge related documents and perfect the same on or before the expiry of the timelines mentioned herein, then the Company shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) pay additional interest at the rate of 2% (Two Percent) per annum over above the applicable Interest Rate on all amounts outstanding NCDs from the Issue Closure Date until such time conditions prescribed herein by Debenture Holders (if any) have been complied with. 3. If, at any time, a breach of any terms, covenants including but not limited to financial covenants, or representation or warranty of the Issuer and any other obligations of the Issuer under the Transaction Documents, the Issuer agrees to pay additional coupon at the rate of 2% (Two Percent) p.a. over and above the applicable Coupon Rate on all amounts outstanding under the relevant series of Debentures (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a breach, until the Debentures are fully redeemed or till the covenants criteria has been replenished. 4. In the event there is any delay in listing of the Debentures beyond 20 (twenty) calendar days from the Deemed Date of Allotment, the Company will pay additional interest of 1% (One percent) per annum ove the Interest Rate, from the expiry of 30 (thirty) calendar days from the Deemed Date of Allotment till the listing of the NCDs is completed.	Redemption at maturity	Quarterly & Maturity	N.A.	25.00	25.00	CRISIL AA/Stable	05-06-2021, 05-03-2022	NA
SCUF	INE722A07AI1	1000000	09-09-2020	09-03-2022	8.98%	If, at any time, a Payment Default occurs, the Issuer agrees to pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the relevant series of Debentures (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a Payment Default until such Payment Default is cured or the Debentures are fully redeemed. ii. If the Issuer fails to execute the Debenture Trust Deed and Deed of Hypothecation within the stipulated timelines, then the Issuer shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the NCDs (including the Outstanding Principal Amounts and any accrued interest) from the Issue Closure Date unti such time the deed is executed and the conditions prescribed by Debenture Holders (if any) have been complied with.	Redemption at maturity	Annual & Maturity	N.A.	150.00	150.00	CRISIL AA/Stable		
SCUF	INE722A07AJ9	1000000	06-10-2020	06-04-2022	8.98%	If, at any time, a Payment Default occurs, the Issuer agrees to pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the relevant series of Debentures (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a Payment Default until such Payment Default is cured or the Debentures are fully redeemed. ii. If the Issuer fails to execute the Debenture Trust Deed and Deed of Hypothecation within the stipulated timelines, then the Issuer shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the NCDs (including the Outstanding Principal Amounts and any accrued interest) from the Issue Closure Date unti such time the deed is executed and the conditions prescribed by Debenture Holders (if any) have been complied with.	Redemption at maturity	Annual & Maturity	N.A.	200.00	200.00	CRISIL AA/Stable		

SCUF	INE722A07AK7	1000000	18-11-2020	18-05-2022	8.15%	i. If, at any time, a Payment Default occurs, the Issuer agrees to pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the relevant series of Debentures (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a Payment Default until such Payment Default is cured or the Debentures are fully redeemed. ii. If the Issuer fails to execute the Debenture Trust Deed and Deed of Hypothecation within the stipulated timelines, then the Issuer shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the NCDs (including the Outstanding Principal Amounts and any accrued interest) from the Issue Closure Date until such time the deed is executed and the conditions prescribed by Debenture Holders (if any) have been complied with.	Redemption at maturity	Annual & Maturity	N.A.	25.00	25.00	CRISIL AA/Stable		
SCUF	INE722A07AL5	1000000	18-12-2020	18-08-2022	NA	Security Creation (Where applicable): Incase of delay in execution of Trust Deed and Charge documents, the Company will refund the subscription with agreed rate of interest or will pay penal interest of atleast 2% p.a. over the coupon rate till these conditions are complied with at the option of the investor. Default in payment: Incase of default in payment of interest and/or principal redemption on the due dates, additional interest of atleast @ 2%p.a. over the coupon rate will be payable by the Company for the defaulting period. Delay in listing: Incase of delay in listing of the Debt securities beyond 4 working days from the deemed date of allotment, the Company will pay penal interest of atleast 1% p.a. over the coupo rate from th expiry of 4 working days from the deemed date of allotment till the listing of such debt securities to the investor.	Redemption at maturity	Upon Maturity	N.A.	117.90	117.90	PP-MLD[ICRA]AA/Stable		
SCUF	INE722A07AL5	1000000	28-12-2020	18-08-2022	NA	Same as above	Redemption at maturity	Upon Maturity	N.A.	35.08	35.00	PP-MLD[ICRA]AA/Stable		
SCUF	INE722A07AL5	1000000	18-01-2021	18-08-2022	NA	Same as above	Redemption at maturity	Upon Maturity	N.A.	47.34	47.00	PP-MLD[ICRA]AA/Stable		
SCUF	INE722A07AM3	1000000	27-01-2021	27-01-2023	NA	Security Creation (where applicable): In case of delay in execution of Trust Deed and Charge documents, the Company will refund the subscription with agreed rate of interest or will pay penal interest of at least 2% p.a. over the coupon rate till these conditions are complied with at the option of the investor. Default in Payment: In case of default in payment of Interest and/or principal redemption on the due dates additional interest of at least @ 2% p.a. over the coupon rate will be payable by the Company for the defaulting period. Delay in Listing: In case of delay in listing of the debt securities beyond 4 working days from the deemed date of allotment, the Company will pay penal interest of at least 1 % p.a. over the coupon rate from the expiry of 4 working days from the deemed date of allotment till the listing of such debt securities to the investor.	Redemption at maturity	Upon Maturity	N.A.	150.00	150.00	IND PP-MLD AAemr/Stable		

SCUF	INE722A07AN1	1000000	08-02-2021	08-02-2030	9.25%	i. If, at any time, a Payment Default occurs, the Issuer agrees to pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the relevant series of Debentures (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a Payment Default until such Payment Default is cured or the Debentures are fully redeemed. ii. If the Issuer fails to execute the Debenture Trust Deed and Deed of Hypothecation within the stipulated timelines, then the Issuer shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the NCDs (including the Outstanding Principal Amounts and any accrued interest) from the Issue Closure Date unti such time the deed is executed and the conditions prescribed by Debenture Holders (if any) have been complied with	Redemption at maturity	Annual & Maturity	N.A.	10.00	10.00	IND AA/Stable		
SCUF	INE722A07AO9	1000000	08-02-2021	07-02-2031	9.50%	i. If, at any time, a Payment Default occurs, the Issuer agrees to pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the relevant series of Debentures (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a Payment Default until such Payment Default is cured or the Debentures are fully redeemed. ii. If the Issuer fails to execute the Debenture Trust Deed and Deed of Hypothecation within the stipulated timelines, then the Issuer shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the NCDs (including the Outstanding Principal Amounts and any accrued interest) from the Issue Closure Date unti such time the deed is executed and the conditions prescribed by Debenture Holders (if any) have been complied with	Redemption at maturity	Annual & Maturity	N.A.	30.00	30.00	IND AA/Stable		
SCUF	INE722A07AP6	1000000	22-02-2021	22-02-2030	9.25%	i. If, at any time, a Payment Default occurs, the Issuer agrees to pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the relevant series of Debentures (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a Payment Default until such Payment Default is cured or the Debentures are fully redeemed. ii. If the Issuer fails to execute the Debenture Trust Deed and Deed of Hypothecation within the stipulated timelines, then the Issuer shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the NCDs (including the Outstanding Principal Amounts and any accrued interest) from the Issue Closure Date unti such time the deed is executed and the conditions prescribed by Debenture Holders (if any) have been complied with.	Redemption at maturity	Annual & Maturity	N.A.	20.00	20.00	IND AA/Stable		
SCUF	INE722A07AQ4	1000000	22-02-2021	21-02-2031	9.50%	i. If, at any time, a Payment Default occurs, the Issuer agrees to pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the relevant series of Debentures (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a Payment Default until such Payment Default is cured or the Debentures are fully redeemed. ii. If the Issuer fails to execute the Debenture Trust Deed and Deed of Hypothecation within the stipulated timelines, then the Issuer shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the NCDs (including the Outstanding Principal Amounts and any accrued interest) from the Issue Closure Date unti such time the deed is executed and the conditions prescribed by Debenture Holders (if any) have been complied with.	Redemption at maturity	Annual & Maturity	N.A.	45.00	45.00	IND AA/Stable		

SCUF	INE722A07AR2	1000000	01/03/2021	01/03/2023	NA	Security Creation (where applicable): In case of delay in execution of Trust Deed and Charge documents, the Company will refund the subscription with agreed rate of interest or will pay penal interest of at least 2% p.a. over the coupon rate till these conditions are complied with at the option of the investor. Default in Payment: In case of default in payment of Interest and/or principal redemption on the due date additional interest of at least @ 2% p.a. over the coupon rate will be payable by the Company for the defaulting period. Delay in Listing: In case of delay in listing of the debt securities beyond 4 working days from the date of closure of the Issue, the Company will pay penal interest of at least 1 % p.a. over the coupon rate from the expiry of 4 working days from the deemed date of allotment till the listing of such debt securities to the investor.	Redemption at maturity	Upon Maturity	N.A.	260.00	260.00	IND PP-MLD AAemr/Stable		
SCUF	INE722A07AR2	1000000	03/03/2021	01/03/2023	NA	Same as above	Redemption at maturity	Upon Maturity	N.A.	65.03	65.00	IND PP-MLD AAemr/Stable		
SCUF	INE722A07AR2	1000000	10/03/2021	01/03/2023	NA	Same as above	Redemption at maturity	Upon Maturity	N.A.	166.34	166.00	IND PP-MLD AAemr/Stable		
SCUF	INE722A07AS0	1000000	17/03/2021	17/05/2023	NA	Security Creation (where applicable): In case of delay in execution of Trust Deed and Charge documents, the Company will refund the subscription with agreed rate of interest or will pay penal interest of at least 2% p.a. over the coupon rate till these conditions are complied with at the option of the investor. Default in Payment: In case of default in payment of Interest and/or principal redemption on the due date additional interest of at least @ 2% p.a. over the coupon rate will be payable by the Company for the defaulting period. Delay in Listing: In case of delay in listing of the debt securities beyond 4 working days from the date of closure of the Issue, the Company will pay penal interest of at least 1 % p.a. over the coupon rate from the expiry of 4 working days from the deemed date of allotment till the listing of such debt securities to the investor.	Redemption at maturity	Upon Maturity	N.A.	300.00	300.00	IND PP-MLD AAemr/Stable		
SCUF	INE722A07AP6	1000000	25/03/2021	22/02/2030	9.25%	i. If, at any time, a Payment Default occurs, the Issuer agrees to pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the relevant series of Debentures (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a Payment Default until such Payment Default is cured or the Debentures are fully redeemed. ii. If the Issuer fails to execute the Debenture Trust Deed and Deed of Hypothecation within the stipulated timelines, then the Issuer shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the NCDs (including the Outstanding Principal Amounts and any accrued interest) from the Issue Closure Date until such time the deed is executed and the conditions prescribed by Debenture Holders (if any) have been complied with.	Redemption at maturity	On February 22nd of every year & Maturity	N.A.	30.22	30.00	IND AA/Stable		

SCUF	INE722A07AQ4	1000000	25/03/2021	21/02/2031	9.50%	i. If, at any time, a Payment Default occurs, the Issuer agrees to pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the relevant series of Debentures (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a Payment Default until such Payment Default is cured or the Debentures are fully redeemed. ii. If the Issuer fails to execute the Debenture Trust Deed and Deed of Hypothecation within the stipulated timelines, then the Issuer shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the NCDs (including the Outstanding Principal Amounts and any accrued interest) from the Issue Closure Date unti such time the deed is executed and the conditions prescribed by Debenture Holders (if any) have been complied with.	Redemption at maturity	On February 22nd of every year & Maturity	N.A.	30.70	30.00	IND AA/Stable		
SCUF	INE722A07AT8	1000000	30/03/2021	30/03/2023	NA	Security Creation (where applicable): In case of delay in execution of Trust Deed and Charge documents, the Company will refund the subscription with agreed rate of interest or will pay penal interest of at least 2% p.a. over the coupon rate till these conditions are complied with at the option of the investor. Default in Payment: In case of default in payment of Interest and/or principal redemption on the due date additional interest of at least @ 2% p.a. over the coupon rate will be payable by the Company for the defaulting period. Delay in Listing: In case of delay in listing of the debt securities beyond 4 trading days from the date of closure of the Issue, the Company will pay penal interest of at least 1 % p.a. over the coupon rate from the expiry of 4 trading days from the deemed date of allotment till the listing of such debt securities to the investor.	Redemption at maturity	Upon Maturity	N.A.	200.00	200.00	IND PP-MLD AAemr/Stable		
SCUF	INE722A07AV4	1000000	23-06-2021	23-06-2031	9.00%	i. If, at any time, a Payment Default occurs, the Issuer agrees to pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the relevant series of Debentures (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a Payment Default until such Payment Default is cured or the Debentures are fully redeemed. ii. If the Issuer fails to execute the Debenture Trust Deed and Deed of Hypothecation within the stipulated timelines, then the Issuer shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the NCDs (including the Outstanding Principal Amounts and any accrued interest) from the Issue Closure Date unti such time the deed is executed and the conditions prescribed by Debenture Holders (if any) have been complied with	Redemption at maturity	Annual & Maturity	N.A.	100.00	100.00	CRISIL AA/Stable		
SCUF	INE722A07AX0	1000000	23-07-2021	23-07-2031	8.75%	i. If, at any time, a Payment Default occurs, the Issuer agrees to pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the relevant series of Debentures (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a Payment Default until such Payment Default is cured or the Debentures are fully redeemed. ii. If the Issuer fails to execute the Debenture Trust Deed and Deed of Hypothecation within the stipulated timelines, then the Issuer shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the NCDs (including the Outstanding Principal Amounts and any accrued interest) from the Issue Closure Date unti such time the deed is executed and the conditions prescribed by Debenture Holders (if any) have been complied with.	Redemption at maturity	Annual & Maturity	N.A.	100.00	100.00	CRISIL AA/Stable		
SCUF	INE722A07AW2	1000000	23-07-2021	23-07-2024	8.25%	Same as above	Redemption at maturity	Annual & Maturity	N.A.	50.00	50.00	CRISIL AA/Stable		

SCUF	INE722A07AY8	1000000	12-08-2021	12-08-2024	7.95%	i. If, at any time, a Payment Default occurs, the Issuer agrees to pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the relevant series of Debentures (including the Outstanding Principal Amounts and any accrued but unpaid interest) from the date of occurrence of such a Payment Default until such Payment Default is cured or the Debentures are fully redeemed. If the Issuer fails to execute the Debenture Trust Deed and Deed of Hypothecation within the stipulated timelines, then the Issuer shall, at the option of the Debenture Holders, either (i) return the subscription amount with the agreed rate of interest or (ii) pay additional interest at the rate of 2% (Two Percent) per annum over and above the applicable Coupon Rate on all amounts outstanding under the NCDs (including the Outstanding Principal Amounts and any accrued interest) from the Issue Closure Date until such time the deed is executed and the conditions prescribed by Debenture Holders (if any) have been complied with.	Redemption at maturity	Quarterly & Maturity	N.A.	260.00	260.00	IND AA/Stable and [ICRA]AA (Stable)	12-08-2023 and 12-08-2024	N.A
SCUF	INE722A07AZ5	1000000	01-09-2021	01-03-2024	ZERO COUPON	Security Creation (where applicable): In case of delay in execution of Debenture Trust Deed cum Deed of Hypothecation and Charge documents, the Company will refund the subscription with agreed rate of interest or will pay penal interest of at least 2% p.a. over the coupon rate till these conditions are complied with at the option of the investor.	Redemption at maturity	Upon Maturity	N.A.	200.00	200.00	IND PP-MLD AAemr/Stable		
SCUF	INE722A07BC2	1000000	21-09-2021	21-09-2024	FLOATING (3.28% plus 420 bps to arrive at a Coupon Rate of 7.48 % p.a.)	Security Creation (where applicable): In case of delay in execution of Debenture Trust Deed cum Deed of Hypothecation and Charge documents, the Company will refund the subscription with agreed rate of interest or will pay penal interest of at least 2% p.a. over the coupon rate till these conditions are complied with at the option of the investor. Default in Payment and other Events of Defaults: In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of at least @ 2% p.a. over the Coupon Rate will be payable by the Company for the defaulting period. In case issuer defaults other events of defaults as specified in the Transaction documents. The Issuer agrees to pay additional interest of at least @ 2%. over the Coupon Rate for the defaulting period. Delay in Listing: In case of delay in listing of the debt securities beyond 4 trading days from the date of closure of the Issue, the Company will pay penal interest of at least 1 % p.a. over the coupon rate from the expiry of 4 trading days from the date of allotment till the listing of such debt securities to the investor.	Redemption at maturity	Annual & Maturity	N.A.	300.00	300.00	CRISIL AA/Stable and IND AA/Stable		
SCUF	INE722A07BB4	1000000	21-09-2021	21-12-2022	7.7043%	Same as above	Redemption at maturity	On December 21, 2021 & Maturity	N.A.	350.00	350.00	CRISIL AA/Stable and IND AA/Stable		
SCUF	INE722A07BA6	1000000	21-09-2021	21-09-2031	8.65%	Same as above	Redemption at maturity	Annual & Maturity	N.A.	189.00	189.00	CRISIL AA/Stable and IND AA/Stable		
SCUF	INE722A07BD0	1000000	23-11-2021	23-05-2024	5.77% GS 2030 (ISIN - IN0020 200153)	Security Creation (where applicable): In case of delay in execution of Debenture Trust Deed cum Deed of Hypothecation and Charge documents, the Company will refund the subscription with agreed rate of interest or will pay penal interest of at least 2% p.a. over the coupon rate till these conditions are complied with at the option of the investor. Default in Payment and other Events of Defaults: In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of at least @ 2% p.a. over the Coupon Rate will be payable by the Company for the defaulting period. In case issuer defaults other events of defaults as specified in the Transaction documents. The Issuer agrees to pay additional interest of at least @ 2%. over the Coupon Rate for the defaulting period. Delay in Listing: In case of delay in listing of the debt securities beyond 4 trading days from the date of closure of the Issue, the Company will pay penal interest of at least 1 % p.a. over the coupon rate from the expiry of 4 trading days from the date of allotment till the listing of such debt securities to the investor.	Redemption at maturity	Annual & Maturity	N.A.	300.00	300.00	IND PP-MLD AAemr'		
							Total			**6,025.36**	**4,624.65**			

Annexure B

REPORT UNDER SECTION 232 (2) (c) OF THE COMPANIES ACT, 2013 ADOPTED BY THE BOARD OF DIRECTORS OF SHRIRAM TRANSPORT FINANCE COMPANY LIMITED THROUGH CIRCULAR RESOLUTION EXPLAINING THE EFFECT OF THE COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION UNDER SECTION 230 TO 232 OF COMPANIES ACT 2013 ON EQUITY SHAREHOLDERS, PROMOTERS AND NON PROMOTERS AND KEY MANAGERIAL PERSONNEL

1. Background

1.1. The Board of Directors ("**Board**") of Shriram Transport Finance Company Limited at its meeting held on December 13, 2021 have approved the Composite Scheme of Arrangement and Amalgamation between Shrilekha Business Consultancy Private Limited ("**Transferor Company 1**" or "**SBCPL**") and Shriram Financial Ventures (Chennai) Private Limited ("**SFVPL**") and Shriram Capital Limited ("**Transferee Company 1**" or "**Demerged Company**" or "**Transferor Company 2**" or "**SCL**") and Shriram Transport Finance Company Limited ("**Transferee Company 2**" or "**STFC**") and Shriram City Union Finance Limited ("**Transferor Company 3**" or "**SCUF**") and Shriram LI Holdings Private Limited ("**Resulting Company 1**" or "**SLIH**") and Shriram GI Holdings Private Limited ("**Resulting Company 2**" or "**SGIH**") and Shriram Investment Holdings Limited ("**Resulting Company 3**" or "**SIHL**") and their respective shareholders ("**Scheme**").

1.2. The provisions of Section 232(2)(c) of the Companies Act, 2013 require the directors to adopt a report explaining (i) effect of the compromise and arrangement under the scheme on each class of shareholders, promoters and non-promoter and key managerial personnel; and (ii) laying out in particular the share exchange ratio, specifying any special valuation difficulties and the same is required to be circulated to the equity shareholders and creditors in connection with seeking their approval to the scheme of arrangement and compromise.

1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Companies Act, 2013.

1.4. The following documents were placed before the Board at the time of approval of the Scheme which are made available in the links given below:

a) Draft Scheme, duly initialled by the Company Secretary of the Company for the purpose of identification; https://tinyurl.com/yceyu7hk

b) Certificate dated December 13, 2021 issued by M/s Sundaram & Srinivasan, Chartered Accounts, and M/s Khimji Kunverji & Co. LLP, Mumbai, Chartered Accounts, Joint Statutory Auditors certifying that the accounting treatment proposed in the Scheme is in compliance with all the Accounting Standards prescribed under Section 133 of Companies Act, 2013; https://tinyurl.com/3ffnp65a

c) Valuation Report dated December 13, 2021 of the Registered Valuers - M/S. Ernst & Young Merchant Banking Services LLP and Ms. Drushti R. Desai, M/s. Bansi S. Metha & Co., Chartered Accountants, on share entitlement ratios for the Scheme; https://tinyurl.com/y4skmte6

d) Fairness opinion dated December 13, 2021 issued by HSBC Securities and Capital Markets (India) Private Limited; an Independent SEBI registered Category-1 Merchant Banker; https://tinyurl.com/2p8n9pvn

e) Report of the Audit Committee meeting held on dated December 13, 2021; https://tinyurl.com/4yze6aeu

f) Report of the Independent Directors meetings held on dated December 13, 2021 - https://tinyurl.com/2p95t23n

2. Effect of the Scheme on Equity Shareholders (Promoters and Non-Promoter Shareholders) and Key Managerial Personnel of the Company.

As explained in detail during the Board meeting of December 13, 2021, the Scheme would be in the best interests of all the concerned companies involved in the Scheme and their respective shareholders. The impact of the Scheme on the shareholders including the public shareholders would be the same in all respects

and no shareholder is expected to have any disproportionate advantage or disadvantage in any manner nor will have any adverse effect.

2.1. Equity Shareholders (promoter and non- promoter shareholders) :

The following share exchange ratios have been approved by the Board of Directors in their meeting held on 13th December 2021 as recommended by the Audit Committee based on the Valuation Report and the Fairness Opinion Report. It is also relevant to state that the said Reports were obtained from the persons who are authorised to give and in the manner mandated under all laws.

The share exchange ratio recommended in the said Reports and also recommended by the Audit Committee is:

For the Proposed Merger of SCL into STFC

97,83,305 (Ninety Seven Lakhs Eighty Three Thousand Three Hundred and Five) equity shares of STFC of INR 10/- fully paid up for every 10,00,00,000 (Ten Crore) equity shares of SCL of INR 1/- each fully paid up.

For the Proposed Merger of SCUF into STFC

One Hundred and Fifty Five (155) equity shares of STFC of INR 10/- fully paid up for every 100 (Hundred) equity shares of SCUF of INR 10/- each fully paid up.

For the Proposed Merger of SCUF into STFC

For every 1 (One) NCD of SCUF 1 (One) NCD of STFC of equivalent face and paid up value, coupon rate, tenure, redemption price and quantum and nature of security offered etc.

All the terms of each of the NCDs of STFC to be issued shall be the same as the respective existing NCDs of SCUF.

2.2. Effect of the Scheme on Key Managerial Personnel

The Scheme does not provide for effecting change in key managerial personnel of Transferee Company 2. The existing key managerial personnel of Transferee Company 2 will remain engaged in the Transferee Company 2 without interruption of their service. However, their role(s)/ function(s)/ responsibilities may undergo change pursuant to business and organization requirements /needs.

2.3. No special valuation difficulties were faced or reported: It is relevant to state the Valuers who recommended the share exchange ratio also have not expressed any such view in their Report.

For and on Behalf of the **Board of Shriram Transport Finance Company Limited**
Sd/-
Mr. S. Lakshminarayanan
Chairman
DIN : 02808698
Date : 26/05/2022
Place : New Delhi

ANNEXURE - III

Drushti Desai Registered Valuer Registration No. IBBI/RV/06/2019/10666 **Bansi S. Mehta & Co.** Chartered Accountants 3rd Floor, Metro House, Dhobi Talao, M.G. Road, Marine Lines, Mumbai 400020.	**Ernst & Young Merchant Banking Services LLP** Registered Valuer Registration No. IBBI/RV-E/05/2021/155 14th Floor, The Ruby, 29, Senapati Bapat Marg, Dadar (West). Mumbai - 400028.

Dated: 13 December 2021

To,

The Audit Committee, **Shriram Transport Finance Company Limited** Sri Towers, Plot No. 14A, South Phase, Industrial Estate, Guindy, Chennai- 600032.	**The Audit Committee,** **Shriram City Union Finance Limited** 123 Angappa Naicken Street, Chennai – 600001.

Sub: Recommendation of fair exchange ratio for the Non-Convertible Debenture Holders of Shriram City Union Limited on proposed Merger of Shriram City Union Finance Limited into Shriram Transport Finance Company Limited

Dear Sir / Madam,

We refer to our engagement letter's dated 23 November 2021 of Drushti Desai, ("DD") and dated 17 November 2021 of Ernst & Young Merchant Banking Services LLP ("EY"), whereby DD and EY are appointed by Shriram Capital Limited ("SCL"), Shriram City Union Finance Limited ("SCUF") and Shriram Transport Finance Company Limited ("STFC") for recommendation of fair exchange ratio for Non-Convertible Debenture ("NCD") holders on the proposed merger of SCUF into STFC.

STFC and SCUF are hereinafter jointly referred to as "Companies" or "Clients" or "Valuation Subjects".

DD and EY are hereinafter jointly referred to as "Valuers" or "we" or "us" in this report.

The fair exchange ratio for NCDs for this report refers to number of NCDs of STFC which would be issued to the NCD holders of SCUF pursuant to the Proposed Merger. In connection with the Proposed Merger, the NCD holders of SCUF will be issued NCDs of STFC at exactly same terms as respective NCDs of SCUF.

Our deliverable for this engagement would be a fair exchange ratio report of NCDs of STFC which would be issued to the NCD holders of SCUF pursuant to the Proposed Merger ("Fair NCD Exchange Ratio Report" or "Report"). For the purpose of this Report, we have considered the Valuation Date as 10 December 2021 ("Valuation Date"), being the last working day prior to the date of the Board Meeting for considering the Proposed Merger.

CERTIFIED TRUE COPY

SCOPE AND PURPOSE OF THIS REPORT

STFC is a deposit taking asset financing Non-Banking Financial Company ("NBFC"), carrying on business in the area of transport finance, particularly commercial vehicles and has a niche presence in financing pre-owned trucks and small truck owners.

SCUF is engaged in the business of lending and is a deposit accepting NBFC, specializing in retail finance, which include micro small and medium enterprise (MSME) loans. It offers a range of options for financing the purchase of two-wheeler vehicles across manufacturers and brands. It also offers loan against gold jewellery. It offers home loans, through its subsidiary, Shriram Housing Finance Limited ("SHFL").

We understand that the management of the Companies (hereinafter referred to as "the Management") are contemplating the following Steps through a composite scheme of arrangement and amalgamation:

1. Merger of Shrilekha Business Consultancy Private Limited into SCL;
2. Demerger of all the businesses, undertakings, activities, properties and liabilities, of whatsoever nature and kind and wheresoever situated, pertaining and/or relating to the SCL's interest in the line of business involving financial services, brands and the SCL's strategic investment in its subsidiaries, namely, Shriram Overseas Investments Private Limited, Shriram Credit Company Limited, Shriram Value Services Limited, Way2Wealth Insurance Brokers Private Limited, Bharat Re-Insurance Brokers Private Limited (except equity investment in STFC and SCUF and general bank accounts with minimal value of other net assets) (hereinafter collectively referred to as "Financial Services Undertaking Subsidiaries") into Shriram Investment Holdings Limited;
3. Demerger of all the businesses, undertakings, activities, properties and liabilities, of whatsoever nature and kind and wheresoever situated, pertaining and/or relating to the SCL's interest in the line of business involving Life Insurance, and the SCL's strategic investment in Shriram Life Insurance Company Limited (hereinafter referred to as "Life Insurance Undertaking") into Shriram LI Holdings Private Limited;
4. Demerger of all the businesses, undertakings, activities, properties and liabilities, of whatsoever nature and kind and wheresoever situated, pertaining and/or relating to the SCL's interest in the line of business involving General Insurance, and the SCL's strategic investment in Shriram General Insurance Company Limited (hereinafter referred to as "General Insurance Undertaking") into Shriram GI Holdings Private Limited; and
5. Merger of SCL (which will have only investment in equity shares of STFC and SCUF and general bank accounts with minimal value of other net assets) and Shriram City Union Finance Limited into Shriram Transport Finance Company Limited (this step is hereinafter referred to as "Proposed Merger"). As a part of the Proposed Merger, the NCD holders of SCUF will be issued NCDs of STFC at exactly same terms as respective NCDs of SCUF.

The aforesaid restructuring is proposed under a Composite Scheme of Arrangement under the provisions of Sections 230-232 read with Section 52 and the other applicable provisions of the Companies Act, 2013 ("Proposed Restructuring").

In this connection, the Board of Directors of SCL, STFC and SCUF have appointed DD and EY, Registered Valuers, to recommend a Fair NCD Exchange Ratio and Fair NCD Share Exchange Ratio, for issue of STFC's equity shares to the equity shareholders of SCL and SCUF for the Proposed Merger. Reference may be drawn to our Report on Fair Equity Exchange Ratio of even date. This report gives our recommendation on the Fair NCD Exchange Ratio Report.

We understand that the appointed date for the Proposed Merger as per the draft scheme shall be 1 April 2022.

The scope of our services is to conduct a relative (and not absolute) valuation of NCDs of the Valuation Subjects and report a Fair NCD Exchange Ratio for the Proposed Merger in accordance with internationally accepted valuation standards / ICAI Valuation Standards 2018 issued by the Institute of Chartered Accountants of India as applicable.

The Valuers have worked independently in their analysis. The Valuers have independently arrived at different values per share of the Valuation Subjects. However, to arrive at the consensus on the Fair NCD Exchange Ratio for the Proposed Merger, appropriate minor adjustments, rounding off has been done in the values arrived at by the Valuers.

We have been provided with the Unaudited limited reviewed financials of STFC and SCUF for the six months ended 30 September 2021 as also the details of NCDs issued by SCUF. We have taken into consideration the current market parameters in our analysis and have made adjustments for additional facts made known to us till the date of our Report. The Management has informed us that there are no unusual/abnormal events in the Companies materially impacting their operating/financial performance other than (i) conversion of outstanding warrants of STFC subscribed by SCL and (ii) subscription of additional equity capital by SCUF into SHFC after 30 September 2021 till the Report date. Further, we have been informed that all material information impacting the Valuation Subjects have been disclosed to us.

We have relied on the above while arriving at the fair NCD exchange ratio for the Proposed Merger.

We have been informed that till the Proposed Merger becomes effective, neither Companies would declare any substantial dividends having materially different yields as compared to past few years.

This Report is our deliverable for the above engagement.

This Report is subject to the scope, assumptions, qualifications, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality and not in parts.

SOURCES OF INFORMATION

In connection with this exercise, we have received/obtained the following information about the Valuation Subjects from the Management:

- Annual Reports for the year ended 31 March 2021 and earlier years for STFC and SCUF
- Unaudited limited reviewed financials for six months ended 30 September 2021 for STFC and SCUF
- Unaudited carved out balance sheet for SCL as of 30 September 2021 reflecting only investment in equity shares of STFC and SCUF (based on the audited financial statements of SCL assuming that steps 1 to 4 of the Proposed Restructuring have been completed).
- Details of NCDs of SCUF and STFC
- Other relevant information and documents for the purpose of this engagement

During discussions with the Management, we have also obtained explanations, information and representations, which we believed were reasonably necessary and relevant for our exercise. The Clients have been provided with the opportunity to review the draft report (excluding the recommended fair NCD exchange ratio) as part of our standard practice to make sure that factual inaccuracy/omissions are avoided in our Report.

PROCEDURES ADOPTED AND VALUATION METHODS FOLLOWED

In connection with this exercise, we have adopted the following procedures to carry out the valuation:

- Requested and received details of terms of NCDs of SCUF and STFC such as credit rating, coupon rates, tenure, redemption price and quantum and nature of security.
- Discussions (physical/over call) with the Management to understand the business and fundamental factors that affect its earning-generating capability including strengths, weaknesses, opportunity and threats analysis and historical financial performance.
- Looked at the credit rating, coupon rates, tenure, redemption price and quantum and nature of security of SCUF and STFC to assess the difference in market yields of NCDs in order to determine the fair NCD exchange ratio for the Proposed Merger







SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

This Report is subject to the limitations detailed in respective engagement letters. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to herein.

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

The recommendation contained herein is not intended to represent value at any time other than Report date. We have no obligation to update this Report.

This Report, its contents and the results herein are specific to (i) the purpose of valuation agreed as per the terms of our engagement; (ii) the Report Date; (iii) Unaudited limited reviewed financials of STFC and SCUF for six months ended 30 September 2021 (iv) Terms of NCDs of SCUF and (vi) other information obtained by us from time to time. We have been informed that the business activities of the Valuation Subjects have been carried out in the normal and ordinary course between 30 September 2021 and the Report date (i) conversion of outstanding warrants of STFC subscribed by SCL and (ii) subscription of additional equity capital by SCUF into SHFC after 30 September 2021 till the Report date, and that no material changes have occurred in their respective operations and financial position between 30 September 2021 and the Report date.

Valuation analysis and results are specific to the purpose of valuation and as per the agreed terms of the respective engagements. It may not be valid for any other purpose or as of any other date. Also, it may not be valid if done on behalf of any other entity.

A valuation of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on and the information made available to us as of, the date hereof. This Report is issued on the understanding that the Management has drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies and any other matter, which may have an impact on our opinion, on the fair NCD exchange ratio for the Proposed Merger. Events occurring after the date hereof may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The recommendation rendered in this Report only represent our recommendation based upon information furnished by the Companies and gathered from public domain (and analysis thereon) and the said recommendation shall be considered to be in the nature of non-binding advice. Our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.

In the course of the valuation, we were provided with both written and verbal information, including market, financial and operating data. In accordance with the terms of our respective engagements, we have carried out relevant analyses and evaluations through discussions, calculations and such other means, as may be applicable and available, we have assumed and relied upon, without independently verifying (i) the accuracy of the information that was publicly available, sourced from subscribed databases and formed a substantial basis for this Report and (ii) the accuracy of information made available to us by the Companies. While information obtained from the public domain or external sources have not been verified for authenticity, accuracy or completeness, we have obtained information, as far as possible, from sources generally considered to be reliable. We assume no responsibility for such information. Our valuation does not constitute as an audit or review in accordance with the auditing standards applicable in India, accounting / financial /

commercial / legal / tax / environmental due diligence or forensic / investigation services and does not include verification or validation work. In accordance with the terms of our engagement / appointment letters and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed, certified, carried out a due diligence, or otherwise investigated the historical financials / financial information or individual assets or liabilities, provided to us regarding the Companies / subsidiary / associates / joint ventures / investee companies. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in such historical financials / financial statements. Also, with respect to explanations and information sought from the Companies, we have been given to understand by the Companies that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusion is based on the assumptions and information given by / on behalf of the Companies. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis / results.

The COVID-19 (SARS-CoV-2) ("COVID - 19" or "Covid") is presenting potentially significant impacts upon economic activity and certain businesses. At the Valuation Date, the Covid crisis is still ongoing, and the future impact of the Covid was not capable of being qualitatively or quantitatively assessed at this time. For carrying out the valuation, we have factored the impact of Covid in the valuation based on the information available till the Valuation Date and based on our understanding of the likely impact on the Valuation Subjects. However, this should not be considered as an accurate assessment of the future impact of the COVID-19 on Valuation Subjects, or any prediction regarding the future course of events that would arise due to the Covid crisis.

The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. This Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited / unaudited balance sheets of the Companies / subsidiary / associates / joint ventures / investee companies, if any. No investigation of Companies' (or their investee companies) claim to title of assets has been made for the purpose of this Report and Companies' (or their investee companies) claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature. Our conclusion of value assumes that the assets and liabilities of the Valuation Subjects, reflected in their respective latest balance sheets remain intact as of the Report date.

This Report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Clients are the only authorized user of this report and is restricted for the purpose indicated in the engagement letter. This restriction does not preclude the Clients from providing a copy of the report to third-party advisors whose review would be consistent with the intended use. We do not take any responsibility for the unauthorized use of this report. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Clients or Companies, their directors, employees or agents. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared.

We have not carried out any physical verification of the assets and liabilities of the Valuation Subjects and take no responsibility for the identification of such assets and liabilities.

This Report does not look into the business/commercial reasons behind the proposed transaction nor the likely benefits arising out of it. Similarly, it does not address the relative merits of the proposed transaction as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.







The valuation analysis and result are governed by concept of materiality.

The fee for the engagement is not contingent upon the results reported.

We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other to the Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Companies, their directors, employees or agents.

It is understood that this analysis does not represent a fairness opinion. This report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.

This Report is subject to the laws of India.

Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed Scheme of Arrangement, without our prior written consent. In addition, this report does not in any manner address the prices at which equity shares of the Companies will trade following announcement of the Proposed Merger and we express no opinion or recommendation as to how the shareholders of either company should vote at any shareholders' meeting(s) to be held in connection with the Proposed Merger.

Disclosure of RV Interest or Conflict, if any and other affirmative statements

We do not have any financial interest in the Clients, nor do we have any conflict of interest in carrying out this valuation.

Further, the information provided by the Management have been appropriately reviewed in carrying out the valuation. Sufficient time and information were provided to us to carry out the valuation.







SHAREHOLDING PATTERN

STFC

The issued and subscribed equity share capital of STFC as of 30 September 2021 is INR 2,687.8 million consisting of 26,87,83,613 equity shares of face value of INR 10 each. The shareholding pattern is as follows:

Shareholding Pattern as on 30 September 2021	No. of Shares	% Shareholding
Promoter & Group	6,87,57,953	25.58%
Public	20,00,25,660	74.42%
Grand Total	**26,87,83,613**	**100.0%**

Source: BSE

In addition to above SCL has exercised the warrants of STFC against which 17,36,100 equity shares have been issued to SCL on 25 November 2021.

Accordingly, the total number of equity shares outstanding as on the Report date is 27,05,19,713.

SCUF

The issued and subscribed equity share capital of SCUF as on 30 September 2021 is INR 660.6 million consisting of 6,60,62,334 equity shares of face value of INR 10 each. The shareholding pattern is as follows:

Shareholding Pattern as on 30 September 2021	No. of Shares	% Shareholding
Promoter & Group	2,28,59,977	34.60%
Public	4,32,02,357	65.40%
Grand Total	**6,60,62,334**	**100.0%**

Source: BSE

In addition to the above, SCUF had 14,45,409 ESOPs outstanding as on the Valuation Date.

APPROACH FOR RECOMMENDATION OF FAIR NCD EXCHANGE RATIO

The Proposed Merger contemplates the merger of SCUF into STFC. Arriving at the fair NCD exchange ratio for the Proposed Merger of SCUF into STFC would require determining the relative value of NCDs of SCUF and the value of NCDs of STFC proposed to be issued.

The proposal is to issue to the NCD holders of SCUF the NCDs of STFC with the same terms including the coupon rates, tenure, redemption price and quantum and nature of security etc.

Further, it is understood from the Management that considering the credit ratings of existing NCDs of STFC and SCUF, the existing market yields of NCDs of SCUF and STFC are not materially different.

In light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, we recommend the fair NCD entitlement ratio of

For every 1 (One) NCD of SCUF 1(One) NCD of STFC of equivalent face and paid-up value, coupon rate, tenure, redemption price and quantum and nature of security offered etc.

All the terms of each of the NCDs of STFC to be issued shall be exactly the same as the respective existing NCDs of SCUF.

These values are to be determined independently, but on a relative basis for the Valuation Subjects, without considering the effect of the Proposed Merger.

It should be noted that we have not examined the economic rationale for the Proposed Transaction per se nor accounting, legal or tax matters involved in the Proposed Transaction.

Respectfully submitted, **DRUSHTI R. DESAI** Registered Valuer Registration Number: IBBI/RV/06/2019/10666 **DRUSHTI R. DESAI** UDIN: Place: Mumbai Date: 13 December 2021	Respectfully submitted, **Ernst & Young Merchant Banking Services LLP** Registered Valuer Registration No. IBBI/RV-E/05/2021/155 **Parag Mehta** Partner Place: Mumbai Date: 13 December 2021

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HSBC

13 December 2021

The Board of Directors
Shriram Transport Finance Company Limited
Wockhardt Towers, 3rd Floor, West Wing
G Block, Bandra-Kurla Complex, Bandra (East)
Mumbai – 400051, Maharashtra

Dear Sirs

We understand that the Board of Directors (the "**Board**") of Shriram Transport Finance Company Limited ("**STFC**" or the "**Company**") is considering the amalgamation of STFC with Shriram City Union Finance Limited ("**SCUF**") and Shriram Capital Limited ("**SCL**") through a scheme of amalgamation between STFC, SCUF and SCL under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "**Merger**").

Be advised that while certain provisions of the Merger are summarised below, the terms of the Merger will be more fully described in the scheme document to be published in relation to the Merger (the "**Scheme Document**"). As a result, the description of the Merger and certain other information contained herein is qualified in its entirety by reference to the Scheme Document.

Pursuant to the Merger, STFC will issue and allot to all the shareholders of SCUF, 155 fully paid up equity shares of par value INR 10 each of STFC for every 100 fully paid up equity shares of par value INR 10 each of SCUF held by such shareholder ("**SCUF Share Exchange Ratio**"). STFC will also issue and allot to all the shareholders of the SCL, 97,83,305 fully paid up equity shares of par value INR 10 each of STFC for every 10 Crore fully paid up equity shares of par value INR 1 each of SCL held by such shareholder ("**SCL Share Exchange Ratio**"). SCUF Share Exchange Ratio and SCL Share Exchange Ratio are together referred to as "**Share Exchange Ratios**".

The Share Exchange Ratios are based on the valuation report dated 13 December 2021 prepared jointly by Ernst and Young Merchant Banking Services LLP and Drushti Desai (the "**Valuers**"), being independent professional valuers appointed by the Board of STFC for recommending the Share Exchange Ratios for the Merger (the "**Valuation Report**").

The Board has appointed HSBC Securities and Capital Markets India Private Limited ("**HSBC**" or "**we**" or "**us**") pursuant to an Engagement Letter dated 10 December 2021 ("**Engagement Letter**") to issue a fairness opinion to STFC in relation to the Share Exchange Ratios proposed by it based on the recommendations set out in the Valuation Report.

This opinion is subject to the scope, assumptions limitations and disclaimers detailed herein.

Scope of our review

In arriving at the opinion set out below, we have, among other things:

HSBC Securities and Capital Markets (India) Private Limited
Regd. Off: 52/60 Mahatma Gandhi Road, Fort, Mumbai-400 001, India.
Telephone: +91 22 2268 5555 Facsimile: +91 22 6653 6206 /07/08
CIN-U67120MH1994PTC081575

HIGHLY RESTRICTED

For SHRIRAM TRANSPORT FINANCE CO. LTD.

V. M. Achwal
Company Secretary

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1. reviewed the Valuation Report and discussed the Valuation Report with the Valuers;

2. reviewed the draft Scheme Document

3. reviewed certain publicly available business and financial information on STFC, SCUF and SCL;

4. reviewed the annual reports of STFC, SCUF and SCL for the financial year ending 31 March 2021 and the standalone and consolidated financial results for STFC, SCUF and SCL for the six months ending 30 September 2021;

5. reviewed the reported share price of STFC and SCUF;

6. compared selected valuation multiples of STFC and SCUF with those of certain publicly traded companies that we deemed to be relevant;

7. reviewed certain analysts' estimates for STFC and SCUF;

8. used certain valuation methods commonly used for these types of analyses and taken into account such other matters as we deemed appropriate including our assessment of current conditions and prospects for the industry and general economic and market conditions.

Assumptions and limitations

In giving our opinion:

1. we have relied on the assessment of STFC's management on the commercial merits of the Merger, including that the Merger is in the best interests of STFC and its shareholders as a whole;

2. we have relied without independent verification, upon the accuracy and completeness of all of the information (including, without limitation, the Valuation Report) that was made available to us or publicly available or was discussed with or reviewed by us (including the information set out above) and have assumed such accuracy and completeness for the purpose of providing this opinion;

3. we have not been provided with any financial forecasts, business plans or other internal financial analysis relating to STFC, SCUF or SCL;

4. we have had limited access to the management of STFC and SCL and have had no access to the management of SCUF. We have therefore not discussed with management the past and current business operations or the financial condition of STFC or SCUF or SCL;

5. while we have used various assumptions, judgements and estimates in our inquiry, which we consider reasonable and appropriate under the circumstances, no assurances can be given as to the accuracy of any such assumptions, judgements and estimates;

6. we have assumed that all governmental, regulatory, shareholder and other consents and approvals necessary for the Merger will be obtained in a timely manner without any adverse effect on STFC;

7. we have not made any independent evaluation or appraisal of the assets and liabilities of STFC, SCUF or SCL and we have not been furnished with any such evaluation or appraisal, nor have we evaluated the solvency or fair value of STFC, SCUF or SCL under any laws relating to the bankruptcy, insolvency or similar matters;

8. we have made no adjustment to the share price of STFC or SCUF for the purposes of our analysis;

9. we have not conducted any independent legal, tax, accounting or other analysis of STFC or of the Merger and when appropriate we have relied solely upon the judgements of the STFC's legal, tax, accountants and other professional advisers who may have given such advice to STFC without knowledge or acceptance that it would be relied upon by us for the purpose of this opinion. We have not included the legal and tax effects of any reorganisation or transaction costs that may arise as a result of the Merger in our analysis. In addition, we have not performed any independent analysis of the situation of the individual shareholders of STFC, including with respect to taxation in relation to the Merger and express no opinion thereon;

10. we have not undertaken independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, or other contingent liabilities to which STFC, SCUF or SCL is or may be a party or is or may be subject, or of any government investigation of any possible unasserted claims or other contingent liabilities to which STFC, SCUF or SCL is or may be a party or is or may be subject to;

11. we have also assumed that there has been no material change in SCUF's assets and financial condition, results of operations, business or prospects since the date of the most recent financial statements published;

12. we have not conducted any physical inspection of the properties or facilities of STFC, SCUF or SCL;

13. we have assumed that the Merger will be consummated on the terms set forth in the Scheme Document and that the final version of the Scheme Document will not change in any material respect from the draft version we have reviewed for the purpose of this opinion;

14. we have assumed that the Share Exchange Ratios will not be subject to any adjustments and express no opinion regarding any adjustments to the Share Exchange Ratios after the date of this opinion;

15. we have assumed that the management of STFC are not aware of any facts or circumstances that would make any information necessary for us to provide this opinion inaccurate or misleading and that the management have not omitted to provide us with any information which may be relevant to the delivery of this opinion.

Our opinion is necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to us as of, the date hereof. It should be understood that subsequent developments may affect the opinion and that we do not have any obligation to update, revise or reaffirm this opinion.

We are expressing no opinion herein as to the price at which any securities of either STFC or SCUF will trade at any time.

Our opinion, as set forth herein, is limited to the fairness, from a financial point of view, of the Share Exchange Ratios based on the recommendations set out in the Valuation Report. No opinion is expressed whether any alternative transaction might be more beneficial to STFC.

Relationship with HSBC

HSBC was not requested to, and did not, provide advice concerning the structure, the Share Exchange Ratios or any other aspects of the Merger or to provide services other than the delivery of this Fairness Opinion. HSBC did not participate in negotiations with respect to the terms of the Merger and any related transactions. Consequently, HSBC has assumed that such terms are the most beneficial terms from STFC's perspective that could under the circumstances be negotiated with SCUF and SCL.

We will receive a fee from STFC for rendering this opinion. In addition, STFC has agreed to indemnify us for claims arising out of our engagement for providing the opinion.

In the past two years, HSBC and its affiliates have provided financing and other services to STFC and its affiliates and to SCUF, SCL and their affiliates (the "**Transferor Group**") and have received fees for the rendering of these services, and may continue to provide such services to STFC and its affiliates and the Transferor Group and receive fees in relation thereto. The Merger may impact HSBC's position as a provider of such services to the Transferor Group. In the ordinary course of their businesses, HSBC and its affiliates may actively trade in debt and equity securities of STFC and SCUF, for their own accounts, or for the accounts of customers and, accordingly, may at any time hold a long or short position in such securities.

Other limitations

This opinion is addressed to and provided solely for the benefit of Board of Directors of STFC exclusively in connection with and for the purposes of its evaluation of the fairness of the Share Exchange Ratios. This letter shall not confer rights or remedies upon, and may not be used or relied on for any other purpose by, any holder of securities of STFC, any creditor of STFC or by any person other than the Board of Directors of STFC.

HSBC is acting for the Board of Directors of STFC and no one else in connection with the Merger and will not be responsible to any person other than the Board of Directors of STFC for providing this opinion. Subject to the terms of the Engagement Letter, this opinion shall not be relied upon by anyone other than the Board of Directors of STFC without our prior written consent. Neither the existence of this opinion nor its contents may be copied in whole or in part, or discussed with any other parties, or published or made public or referred to in any way, without our prior written consent in each instance, except that this opinion may be described in and included in its entirety in the Scheme Document. Any disclosure so made by STFC shall be made only after consultation with the HSBC, and HSBC have had a reasonable opportunity to review and comment on the final draft and HSBC's comments (if any) have been fully addressed. We take no responsibility or liability for any claims arising out of any such disclosure and we specifically disclaim any responsibility to any third party to whom this opinion may be shown or who may acquire a copy of this opinion.

This opinion shall be governed by the laws of India.

Specifically, this opinion does not address the commercial merits of the Merger nor the underlying decision by STFC to proceed with the Merger nor does it constitute a recommendation to any shareholder or creditor of STFC as to how such shareholder or creditor should vote with respect to the Merger or any other matter.

The ultimate responsibility for the decision to recommend the Merger rests solely with the Board of Directors of STFC.



Conclusion

Based upon, and subject to, the foregoing we are of the opinion that, as of the date hereof, the Share Exchange Ratios are fair, from a financial point of view, to the equity shareholders of STFC.

Yours faithfully,

HSBC Securities and Capital Markets (India) Private Limited

Name: Nirvaer Sidhu
Designation: Managing Director

HSBC Securities and Capital Markets (India) Private Ltd. MUMBAI

Name: Ayush Jain
Designation: Associate Director

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For SHRIRAM TRANSPORT FINANCE CO. LTD.

V. M. Achwal
Company Secretary

HIGHLY RESTRICTED

Annexure E

BSE Limited Registered Office: Floor 25, P J Towers, Dalal Street, Mumbai – 400 001, India
T : +91 22 2272 8045 / 8055 F : +91 22 2272 3457 www.bseindia.com
Corporate Identity Number: L67120MH2005PLC155188

DCS/AMAL/TL/IP/2259/2021-22 **"E-Letter"** **March 15, 2022**

The Company Secretary,
Shriram Transport Finance Company Limited
14A, South Phase, Industrial Estate, Guindy,
Chennai, Tamil Nadu, 600032

Dear Sir,

Sub: Observation letter regarding the Composite Scheme of Arrangement and Amalgamation between Shrilekha Business Consultancy Private Limited and Shriram Financial Ventures (Chennai) Private Limited and Shriram Capital Limited and Shriram Transport Finance Company Limited and Shriram City Union Finance Limited and Shriram LI Holdings Private Limited and Shriram GI Holdings Private Limited and Shriram Investments Holdings Limited and their respective shareholders

We are in receipt of the Draft Scheme of Arrangement and Amalgamation of Shriram Transport Finance Company Limited as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated March 11, 2022, has inter alia given the following comment(s) on the draft scheme of Arrangement:

- **"Company shall ensure to disclose all details of ongoing adjudication & recovery proceedings, prosecution initiated and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders while seeking approval of the Scheme."**
- **"Company shall ensure that additional information, if any submitted by the Company, after filing the Scheme with the Stock Exchange, and from the date of receipt of this letter is displayed on the websites of the listed Company and the Stock Exchanges."**
- **"Company shall ensure compliance with the said Circular."**
- **"The entities involved in the Scheme shall duly comply with various provisions of the Circular."**
- **"Company is advised that the New Equity Shares shall be issued and allotted by the Transferee Company only in demat form to the respective shareholders of the Transferor Companies."**
- **"Company is advised that the applicant that the Transferee Company shall ensure to include the applicable information pertaining to all the Transferor Companies involved in the Scheme, in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."**
- **"Company is advised that all the details mentioned in their letter dated January 24, 2022 shall be disclosed to the Shareholders for enabling them to take an informed decision on the Scheme under consideration."**
- **"Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."**
- **"Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble National Company Law Tribunal (NCLT) and the Company obliged to bring the observations to the notice of Hon'ble NCLT."**

- **"It is to be noted that the petitions are filed by the Company before Hon'ble NCLT after processing and communication of comments/observations on draft Scheme by SEBI/Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations."**

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,
Sd/-
Prasad Bhide
Manager

National Stock Exchange Of India Limited

Ref: NSE/LIST/29551 March 16, 2022

The Company Secretary
Shriram Transport Finance Company Limited
Wockhardt Tower, Level - 3,West Wing, C-2,
G Block, Bandra Kurla Complex,
Bandra East, Mumbai – 400051

Kind Attn. : Mr.Vivek Achwal

Dear Sir,

Sub: Observation Letter for draft Composite Scheme of Arrangement and Amalgamation between Shrilerha Business Consultancy Private Limited and Shriram Financial Ventures (Chennai) Private Limited and Shriram Capital Limited and Shriram Transport Finance Company Limited and Shriram City Union Finance Limited and Shriram Li Holdings Private Limited and Shriram Gi Holdings Private Limited and Shriram Investment Holdings Limited and their respective Shareholders.

We are in receipt of draft Composite Scheme of Arrangement and Amalgamation between Shrilerha Business Consultancy Private Limited and Shriram Financial Ventures (Chennai) Private Limited and Shriram Capital Limited and Shriram Transport Finance Company Limited and Shriram City Union Finance Limited and Shriram Li Holdings Private Limited and Shriram Gi Holdings Private Limited and Shriram Investment Holdings Limited and their respective Shareholders vide application dated December 29, 2021.

Based on our letter reference no. NSE/LIST/29551 dated February 25, 2022 submitted to SEBI and pursuant to SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 (as amended), kindly find following comments on the draft scheme:

a. *Company shall ensure disclosure of all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme.*

b. *Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the Stock Exchanges, from the date of receipt of this letter is displayed on the websites of the listed company and the Stock Exchanges.*

c. *The entities involved in the scheme shall duly comply with various provisions of the said Circular.*

d. *The Company is advised that New equity shares shall be issued and allotted by the Transferee Company only in demat form to the respective shareholders of Transferor Company.*

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Signer: Harshad P Bharod
Date: Wed, Mar 16, 2022 18:09:49 IST
Location: NSE

e. *Company shall ensure that the information pertaining to all the Unlisted Companies involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*

f. *Company is advised that all the details mentioned in their letter dated January 24, 2022 shall be disclosed to the Shareholders for enabling them to take an informed decision on the Scheme under consideration.*

g. *Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*

h. *Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the company is obliged to bring the observations to the notice of NCLT.*

i. *It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/Stock Exchanges. Hence, the company is not required to send notice for representation as mandated under Section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.*

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the Circular.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No objection" in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from March 16, 2022 within which the scheme shall be submitted to NCLT.

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The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Harshad Dharod
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist

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Signer: Harshad P Dharod
Date: Wed, Mar 16, 2022 18:09:49 IST
Location: NSE

IN THE NATIONAL COMPANY LAW TRIBUNAL, SPECIAL BENCH - II, CHENNAI

CA(CAA)/05(CHE)/2022
CA(CAA)/07(CHE)/2022
CA(CAA)/08(CHE)/2022
CA(CAA)/36(CHE)/2022
CA(CAA)/37(CHE)/2022
CA(CAA)/38(CHE)/2022
CA(CAA)/39(CHE)/2022
CA(CAA)/40(CHE)/2022

Under Sections 230 to 232 of the Companies Act, 2013

In the matter of *Scheme of Arrangement and Amalgamation*

of

SHRILEKHA BUSINESS CONSULTANCY PRIVATE LIMITED
CIN NO: U74999TN2017PTC114086
Shriram House,
No.4, Burkit Road, T. Nagar,
Chennai – 600 017

... Applicant / Transferor Company – 1

And

SHRIRAM FINANCIAL VENTURES (CHENNAI) PRIVATE LIMITED
CIN NO: U67190TN2011PTC079382
Shriram House,
No.4, Burkit Road, T. Nagar,
Chennai – 600 017

... Applicant Company

And

SHRIRAM CAPITAL LIMITED
CIN NO: U75993TN1974PLC006588
Shriram House,
No.4, Burkit Road, T. Nagar,
Chennai – 600 017

... Applicant / Transferee Company – 1 /
Demerged Company / Transferor Company – 2

And

SHRIRAM CITY UNION FINANCE LIMITED
CIN NO: L65191TN1986PLC012840
123, Angappa Naicken Street,
Madras – 600 001

... Applicant/ Transferor Company – 3

And

SHRIRAM TRANSPORT FINANCE COMPANY LIMITED
CIN NO: L65191TN1979PLC007874
Sri Towers, Plot NO. 14A,
South Phase, Industrial Estate,
Guindy, Chennai – 600 032

... Applicant/ Transferee Company – 2

And

SHRIRAM LI HOLDINGS PRIVATE LIMITED
CIN NO: U72900TN2019PTC132421
No.4, Burkit Road, T. Nagar,
Chennai – 600 017

... Applicant/ Resulting Company – 1

And

SHRIRAM GI HOLDINGS PRIVATE LIMITED
CIN NO: U72900TN2019PTC131795
No.4, Burkit Road, T. Nagar,
Chennai – 600 017

... Applicant/ Resulting Company – 2

And

SHRIRAM INVESTMENT HOLDINGS LIMITED
CIN NO: U65923TN2009PLC071236
Shriram House,
No.4, Burkit Road, T. Nagar,
Chennai – 600 017

... Applicant/ Resulting Company – 3

*Order pronounced on **11th May 2022***

CORAM

Chief Justice (Retd.) RAMALINGAM SUDHAKAR, PRESIDENT
ANIL KUMAR B, MEMBER (TECHNICAL)

For Applicant(s): *K.G. Raghavan, Senior Advocate*
Preeti Mohan, Advocate
Ragha Sudha, Advocate
Anisha Chandrakumar, Advocate

COMMON ORDER

Per: **Chief Justice (Retd.) RAMALINGAM SUDHAKAR, PRESIDENT**

This is an application filed by the Applicant Companies, namely **SHRILEKHA BUSINESS CONSULTANCY PRIVATE LIMITED** *(for brevity "SBCPL" or "Transferor Company – 1")* and **SHRIRAM FINANCIAL VENTURES (CHENNAI) PRIVATE LIMITED** *(for brevity "SFVPL")* and **SHRIRAM CAPITAL LIMITED** *(for brevity "SCL" or "Transferee Company – 1, Demerged Company, or Transferor Company – 2")* and **SHRIRAM CITY UNION FINANCE LIMITED** *(for brevity "SCUF" or "Transferee Company – 3")* and **SHRIRAM TRANSPORT FINANCE COMPANY LIMITED** *(for brevity "STFC" or "Transferee Company – 2")* and **SHRIRAM LI HOLDINGS PRIVATE LIMITED** *(for brevity "SLIH" or "Resulting Company – 1")* and **SHRIRAM GI HOLDINGS PRIVATE LIMITED** *(for brevity "SGIH" or "Resulting Company – 2")* and **SHRIRAM INVESTMENT HOLDINGS LIMITED** *(for brevity "SIHL" or "Resulting Company – 3")* under section 230-232 of Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 read with

Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 in relation to the Scheme of Arrangement and Amalgamation (hereinafter referred to as the "SCHEME") proposed by the Applicant Companies with its Shareholders. The said Scheme is also commonly appended as Annexure '6' to all the Applications.

2. The Applicant Companies in this Company Application has sought for the following relief;

	EQUITY / PREFERENCE SHAREHOLDERS	SECURED CREDITORS	UNSECURED CREDITORS
SBCPL	*To convene meeting*	*NIL*	*NIL*
SFVPL	*To convene meeting*	*NIL*	*NIL*
SCL	*To convene meeting*	*NIL*	*To dispense with*
SCUF	*To convene meeting*	*To convene meeting*	*To convene meeting*
STFC	*To convene meeting*	*To convene meeting*	*To convene meeting*
SLIH	*To convene meeting*	*NIL*	*NIL*
SGIH	*To convene meeting*	*NIL*	*NIL*
SIHL	*To convene meeting*	*NIL*	*NIL*

3. An affidavit in support of the above application is sworn for and behalf of the applicant Companies as follows;

(i) In favour of SGIH by one Mr. C. Mahesh, in the capacity as the Director of the said Company.

(ii) In favour of STFC by one Mr. Vivek Achwal, in the capacity as the Authorized Representative of the said Company.

(iii) In favour of SIHL by one Ms. Subhasri Sriram, in the capacity as the Director of the said Company.

(iv) In favour of SCUF by one Mr. R. Chandrasekar, in the capacity as the Chief Financial Officer of the said Company.

(v) In favour of SBCPL by one Mr. S. Natarajan, in the capacity as the Director of the said Company.

(vi) In favour of SFVPL by one Mr. D.V. Ravi, in the capacity as the Managing Director of the said Company.

(vii) In favour of SLIH by one Mr. Nanda Kishore Sesha Narayanam, in the capacity as Director of the said Company.

(viii) In favour of SCL by one Mr. D.V. Ravi, in the capacity as the Managing Director of the said Company.

4. **SHRILEKHA BUSINESS CONSULTANCY PRIVATE LIMITED CA(CAA)/37(CHE)/2022**

(i) There are 7 (Seven) Equity Shareholders and list of shareholders to this effect is placed at page 280 of the typed set filed along with the Application and sought for a direction to convene / hold the meeting.

(ii) There are NIL Secured and Unsecured Creditors and the certificate issued by the Chartered Accountants to this effect is placed at page 279 of the typed set filed with

the application. Hence the necessary of conducting the meeting does not arise.

5. **SHRIRAM FINANCIAL VENTURES (CHENNAI) PRIVATE LIMITED**
CA(CAA)/38(CHE)/2022

(i) There are 18 (Eighteen) Equity Shareholders and the list of shareholders to this effect is placed at page 324 of the typed set filed along with the Application and sought for a direction to convene / hold the meeting.

(ii) There are NIL Secured and Unsecured Creditors and the certificate issued by the Chartered Accountants to this effect is placed at page 321 of the typed set filed with the application. Hence the necessary of conducting the meeting does not arise.

6. **SHRIRAM CAPITAL LIMITED**
CA(CAA)/40(CHE)/2022

(i) There are 10 (Ten) Equity Shareholders and the list of shareholders to this effect is placed at page 594 to 596 of the typed set filed along with the Application and sought for a direction to convene / hold the meeting.

(ii) There are 3 (Three) Preference Shareholders in the Company holding 5,00,00,000 Redeemable Preference shares with paid value of Rs.50/- each and sought for a direction to convene / hold the meeting.

(iii) There is NIL Secured Creditors and the certificate issued by the Chartered Accountants to this effect is placed at page 588 to 592 of the typed set filed with the

application. Hence the necessary of conducting the meeting does not arise.

(iv) There are 2 Unsecured Creditors in the Company and the list certified by the Chartered Accountant is placed at page No. 593 of the typed set filed along with the application. The consent Affidavit of both the Unsecured creditors have been obtained and placed on record and hence sought for dispensation with convening / holding of meeting of the Creditors.

7. **SHRIRAM CITY UNION FINANCE LIMITED**
CA(CAA)/36(CHE)/2022

(i) There are 15,528 (Fifteen Thousand Five Hundred and Twenty-Eight) Equity Shareholders in the Company and sought for a direction to convene / hold the meeting.

(ii) There is 15,546 (Fifteen Thousand Five Hundred and Forty-Six) Secured Creditors in the Company aggregating to the tune of Rs.2,01,42,63,37,515/- and the certificate issued by the Chartered Accountants to this effect is placed in the typed set filed with the application and sought for a direction to convene / hold the meeting.

(iii) There are 1,33,155 (One Lakh Thirty-Three Thousand One hundred and Fifty-Five) Unsecured Creditors in the Company aggregating to the tune of Rs.68,02,63,35,000/- and the certificate issued by the Chartered Accountants to this effect is placed in the

typed set filed with the application and sought for a direction to convene / hold the meeting.

8. **SHRIRAM TRANSPORT FINANCE COMPANY LIMITED**
CA(CAA)/7(CHE)/2022

(i) There are 97,976 (Ninety-Seven Thousand Nine hundred and Seventy-Six) Equity Shareholders in the Company and sought for a direction to convene / hold the meeting.

(ii) There is 76,490 (Seventy-Six Thousand Four Hundred and Ninety) Secured Creditors in the Company aggregating to the tune of Rs.82,945.72 Crore and the certificate issued by the Chartered Accountants to this effect is placed in the typed set filed with the application and sought for a direction to convene / hold the meeting.

(iii) There are 4,40,071 (Four Lakh Forty Thousand and Seventy-one) Unsecured Creditors in the Company aggregating to the tune of Rs.25,641.58 Crore and the certificate issued by the Chartered Accountants to this effect is placed in the typed set filed with the application and sought for a direction to convene / hold the meeting.

9. **SHRIRAM LI HOLDINGS PRIVATE LIMITED**
CA(CAA)/39(CHE)/2022

(i) There are 2 (Two) Equity Shareholders in the Company and the list of Equity shareholders are placed at page No. 232 of the typed set filed along with the Application and sought for a direction to convene / hold the meeting.

(ii) There are NIL Secured and Unsecured Creditors and the certificate issued by the Chartered Accountants to this effect is placed at page 231 of the typed set filed with the application. Hence the necessary of conducting the meeting does not arise

10. **SHRIRAM GI HOLDINGS PRIVATE LIMITED**
CA(CAA)/5(CHE)/2022

(i) There are 2 (Two) Equity Shareholders in the Company and the list of Equity shareholders are placed at page No. 223 of the typed set filed along with the Application and sought for a direction to convene / hold the meeting.

(ii) There are NIL Secured and Unsecured Creditors and the certificate issued by the Chartered Accountants to this effect is placed at page 222 of the typed set filed with the application. Hence the necessary of conducting the meeting does not arise

11. **SHRIRAM INVESTMENT HOLDINGS LIMITED**
CA(CAA)/8(CHE)/2022

(i) There are 7 (Seven) Equity Shareholders in the Company and the list of Equity shareholders are placed at page No. 223 of the typed set filed along with the Application and sought for a direction to convene / hold the meeting.

(ii) There are NIL Secured and Unsecured Creditors and the certificate issued by the Chartered Accountants to this effect is placed at page 231 of the typed set filed with

the application. Hence the necessary of conducting the meeting does not arise

12. We have perused the application and the connected documents / papers filed therewith including the Scheme contemplated by the Applicant companies.

13. From the certificate of incorporation filed, it is evident that the SBCPL is a Private limited company incorporated under the provisions of Companies Act, 2013 on 09.01.2017. The Registered office address of the SBCPL is situated at Shriram House, No.4, Burkit Road, T. Nagar, Chennai – 600 017.

14. From the certificate of incorporation filed, it is evident that the SCL is a limited company incorporated under the provisions of Companies Act, 1956 on 05.04.1974. The Registered office address of the SCL is situated at Shriram House, No.4, Burkit Road, T. Nagar, Chennai – 600 017.

15. From the certificate of incorporation filed, it is evident that the SIHL is a limited company incorporated under the provisions of Companies Act, 1956 on 03.04.2009. The Registered office address of the SIHL is situated at Shriram House, No.4, Burkit Road, T. Nagar, Chennai – 600 017.

16. From the certificate of incorporation filed, it is evident that the SLIH is a private limited company incorporated under the provisions of Companies Act, 2013 on 06.11.2019. The Registered office address of the SLIH is situated at Shriram House, No.4, Burkit Road, T. Nagar, Chennai – 600 017.

17. From the certificate of incorporation filed, it is evident that the SGIH is a private limited company incorporated under the provisions of Companies Act, 2013 on 25.09.2019. The Registered office address of the SCL is situated at No.4, Burkit Road, T. Nagar, Chennai – 600017.

18. From the certificate of incorporation filed, it is evident that the STFC is a limited company incorporated under the provisions of Companies Act, 1956 on 30.06.1979. The Registered office address of the STFC is situated at Sri Towers, Plot No.14A, South Phase, Industrial Estate, Guindy, Chennai – 600 032.

19. From the certificate of incorporation filed, it is evident that the SCUF is a limited company incorporated under the provisions of Companies Act, 1956 on 27.03.1986. The Registered office address of the SCUF is situated at 123, Angappa Naicken Street, Chennai – 600 001.

20. The Applicant Companies has filed its Memorandum and Articles of Association *inter alia* delineating its object clauses as well as their last available Audited Annual Accounts for the year ended 31.03.2020.

21. The Board of Directors of the Applicant Companies has unanimously approved the proposed Scheme as contemplated above and copies of resolutions passed thereon have been placed on record by the applicant companies.

22. The Statutory Auditors of the Transferee Company have examined the Scheme in terms of provisions of Sec. 232 of Companies Act, 2013 and the rules made thereunder and certified that the Accounting Standards are in compliance with Section 133 of the Companies Act, 2013. The Certificate of the Statutory Auditors issued in this regard is placed at each of the typed set filed along with the Application.

23. Taking into consideration the application filed by the Applicant Company and the documents filed therewith as well as the position of law, this Tribunal propose to issue the following directions: -

A. IN RELATION TO THE SBCPL

(i) **With respect to Equity shareholders:**

Meeting of Equity shareholder is directed to be held on **05.07.2022 at 10:00 AM** through video conferencing or at the Registered office address of the Company or if not convenient at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

(ii) **With respect to Secured Creditors:**

Since it is represented that there is NIL Secured Creditor in the Company, hence the necessity of convening a meeting does not arise.

(iii) **With respect to Unsecured Creditors:**

Since it is represented that there is NIL Unsecured Creditor in the Company, hence the necessity of convening a meeting does not arise.

B. IN RELATION TO SFVPL:

(i) **With respect to Equity shareholders:**

Meeting of Equity shareholder is directed to be held on **05.07.2022 at 11:00 AM** through video conferencing or at the Registered office address of the Company or if not convenient at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

(ii) **With respect to Secured Creditors:**

Since it is represented that there is NIL Secured Creditor in the Company, hence the necessity of convening a meeting does not arise.

(iii) **With respect to Unsecured Creditors:**

Since it is represented that there is NIL Unsecured Creditor in the Company, hence the necessity of convening a meeting does not arise.

C. IN RELATION TO SCL:

(i) **With respect to Equity shareholders:**

Meeting of Equity shareholder is directed to be held on **05.07.2022 at 12:00 Noon** through video conferencing or at the Registered office address of the Company or if not convenient at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

(i) **With respect to Preference shareholders:**

Meeting of Preference shareholder is directed to be held on **05.07.2022 at 1:00 PM** through video conferencing or at the Registered office address of the Company or if not convenient at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

(ii) **With respect to Secured Creditors:**

Since it is represented that there is NIL Secured Creditor in the Company, hence the necessity of convening a meeting does not arise.

(iii) **With respect to Unsecured Creditors:**

Since it is represented that there are 2 Unsecured Creditor in the Company and the consent Affidavit obtained from both of them are obtained and placed on record, the necessity for convening, holding and conduction of the meeting is *dispensed with*.

D. IN RELATION TO SCUF:

(i) **With respect to Equity shareholders:**

Meeting of Equity shareholder is directed to be held on **06.07.2022 at 10:00 AM** through video conferencing or at the Registered office address of the Company or if not convenient at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

(ii) **With respect to Secured Creditors:**

Meeting of Secured Creditors is directed to be held on **06.07.2022 at 1:00 PM** through video conferencing or at the Registered office address of the Company or if not convenient at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

(iii) **With respect to Unsecured Creditors:**

Meeting of Unsecured Creditors is directed to be held on **06.07.2022 at 4:00 PM** through video conferencing or at the Registered office address of the Company or if not convenient at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

E. IN RELATION TO STFC:

(i) **With respect to Equity shareholders:**

Meeting of Equity shareholder is directed to be held on **04.07.2022 at 10:00 AM** through video conferencing or at the Registered office address of the Company or if not convenient at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

(ii) **With respect to Secured Creditors:**

Meeting of Secured Creditors is directed to be held on **04.07.2022 at 1:00 PM** through video conferencing or at the Registered office address of the Company or if not convenient at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

(iii) **With respect to Unsecured Creditors:**

Meeting of Unsecured Creditors is directed to be held on **04.07.2022 at 4:00 PM** through video conferencing or at the

Registered office address of the Company or if not convenient at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

F. IN RELATION TO SLIH:

(i) **With respect to Equity shareholders:**

Meeting of Equity shareholder is directed to be held on **07.07.2022 at 10:00 AM** through video conferencing or at the Registered office address of the Company or if not convenient at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

(ii) **With respect to Secured Creditors:**

Since it is represented that there is NIL Secured Creditor in the Company, hence the necessity of convening a meeting does not arise.

(iii) **With respect to Unsecured Creditors:**

Since it is represented that there is NIL Unsecured Creditor in the Company, hence the necessity of convening a meeting does not arise.

G. IN RELATION TO SGIH:

(i) **With respect to Equity shareholders:**

Meeting of Equity shareholder is directed to be held on **07.07.2022 at 11:00 AM** through video conferencing or at the Registered office address of the Company or if not convenient at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

(ii) **With respect to Secured Creditors:**

Since it is represented that there is NIL Secured Creditor in the Company, hence the necessity of convening a meeting does not arise.

(iii) **With respect to Unsecured Creditors:**

Since it is represented that there is NIL Unsecured Creditor in the Company, hence the necessity of convening a meeting does not arise.

H. IN RELATION TO SIHL:

(i) **With respect to Equity shareholders:**

Meeting of Equity shareholder is directed to be held on **07.07.2022 at 12:00 Noon** through video conferencing or at the Registered office address of the Company or if not convenient at any other suitable place for which prior approval shall be sought from this Tribunal within a period of 7 days from the date of this order and prior to the issue of notices.

(ii) **With respect to Secured Creditors:**

Since it is represented that there is NIL Secured Creditor in the Company, hence the necessity of convening a meeting does not arise.

(iii) **With respect to Unsecured Creditors:**

Since it is represented that there is NIL Unsecured Creditor in the Company, hence the necessity of convening a meeting does not arise.

24. The quorum for the meeting of the Equity / Preference Shareholders and Unsecured Creditors of the Applicant Company shall be as follows;

	EQUITY / PREFERENCE SHAREHOLDERS	SECURED CREDITORS	UNSECURED CREDITORS
SBCPL	*Equity - 2*	*NIL*	*NIL*
SFVPL	*Equity - 3*	*NIL*	*NIL*
SCL	*Equity – 2* *Preference – 1*	*NIL*	*Dispensed with*

SCUF	*Equity – 25*	*Secured – 25*	*Unsecured – 25*
STFC	*Equity – 25*	*Secured – 25*	*Unsecured – 30*
SLIH	*Equity – 1*	*NIL*	*NIL*
SGIH	*Equity – 1*	*NIL*	*NIL*
SIHL	*Equity – 2*	*NIL*	*NIL*

25. The Chairperson appointed for the meeting to be convened on 04.07.2022 for STFC in respect of Equity Shareholders, Secured Creditors and Unsecured Creditors, shall be **Justice (Retd.) V. Parthiban** *(Mob. No. +91-94440 94401) (email:-parthibanyamuna@gmail.com)* and the alternate chairperson shall be the Director of the said Company. The consolidated fee of the Chairperson for the aforesaid meeting shall be **₹ 2,00,000/-** *(Rupees Two Lakh only)* in addition to meeting his incidental expenses. The Scrutinizer for the aforesaid meeting shall be **Mr. P. Sriram,** *PCS (Mob. No. 99403 3666) (email:-srirampcs@gmail.com)* and shall be entitled for a consolidated fee of **₹ 1,00,000/-** *(Rupees One Lakh only)*. The Chairperson(s) will file the reports of the meetings within a week from the date of holding of the above said meetings.

26. The Chairperson appointed for the meeting to be convened on 05.07.2022 for SBCPL *(Equity)*, SFVPL *(Equity)*, SCL *(Equity, Preference)*, shall be **Mr. R. Natarajan,** *Advocate (Mob. No. +91-*

94446 68342) (email:- natarajanrajagopal1@gmail.com) and the alternate chairperson shall be the Director of the said Company. The consolidated fee of the Chairperson for the aforesaid meeting shall be **₹ 1,00,000/-** *(Rupees One Lakh Only)* in addition to meeting his incidental expenses. The Scrutinizer for the aforesaid meeting shall be **Nithya Pasupathy,** PCS *(Mob. No. 95660 33007) (email:- nithya@prowiscorporate.com)* and shall be entitled for a consolidated fee of **₹ 50,000/-** *(Rupees Fifty Thousand only)*. The Chairperson(s) will file the reports of the meetings within a week from the date of holding of the above said meetings.

27. The Chairperson appointed for the meeting to be convened on 06.07.2022 for SCUF in respect of Equity Shareholders, Secured Creditors and Unsecured Creditors, shall be **Justice (Retd.) V. Bharathidasan** *(Mob. No. +91-94443 83139) (email:- dasanvb@gmail.com)* and the alternate chairperson shall be the Director of the said Company. The consolidated fee of the Chairperson for the aforesaid meeting shall be **₹ 2,00,000/-** *(Rupees Two Lakh only)* in addition to meeting his incidental expenses. The Scrutinizer for the aforesaid meeting shall be **Mr. P. Sriram,** *PCS (Mob. No. 99403 3666) (email: srirampcs@gmail.com)* and shall be entitled for a consolidated fee of **₹ 1,00,000/-** *(Rupees One Lakh only)*. The Chairperson(s) will

file the reports of the meetings within a week from the date of holding of the above said meetings.

28. The Chairperson appointed for the meeting to be convened on 07.07.2022 for SLIH *(Equity)*, SGIH *(Equity),* and SIHL *(Equity)*, shall be **Mr. K.M. Ramesh,** *Advocate (Mob. No. +91 - 94444 14923) (email:- ram6457@gmail.com)* and the alternate chairperson shall be the Director of the said Company. The consolidated fee of the Chairperson for the aforesaid meeting shall be **₹ 1,00,000/-** *(Rupees One Lakh Only)* in addition to meeting his incidental expenses. The Scrutinizer for the aforesaid meeting shall be **Ms. Nithya Pasupathy,** *PCS (Mob. No. 95660 33007) (email:- nithya@prowiscorporate.com)* and shall be entitled for a consolidated fee of **₹ 50,000/-** *(Rupees Fifty Thousand only)*. The Chairperson(s) will file the reports of the meetings within a week from the date of holding of the above said meetings.

29. In case the quorum as noted above, for the above meeting of the Applicant Companies is not present at the meeting, then the meeting shall be adjourned by half an hour, and thereafter the person(s) present and voting shall be deemed to constitute the quorum. For the purpose of computing the quorum the valid proxies shall also be considered, if the proxy in the prescribed form, duly signed by the person entitled to attend and vote at the meeting, is

filed with the registered office of the applicant companies at least 48 hours before the meeting. The Chairperson and Alternate Chairperson appointed herein along with Scrutinizer shall ensure that the proxy registers are properly maintained. However, every endeavour should be made by the applicant companies to attain at least the quorum fixed, if not more in relation to approval of the scheme.

30. The meetings shall be conducted as per applicable procedure prescribed under the MCA Circular MCA General Circular Nos. (i) 20/2020 dated 5th May, 2020 (AGM Circular), (ii) 14/2020, dated 08.04.2020 (EGM Circular-I) and (iii) 17/2020 dated 13.04.2020 (EGM Circular-II);

31. That individual notices of the above said meetings shall be sent by the Applicant Company through registered post or speed post or through courier or e-mail, 30 days in advance before the scheduled date of the meeting, indicating the day, date, the place and the time as aforesaid, together with a copy of Scheme, copy of explanatory statement, required to be sent under the Companies Act, 2013 and the prescribed form of proxy shall also be sent along and in addition to the above any other documents as may be prescribed under the Act or rules may also be duly sent with the notice.

32. That the Applicant Company shall publish advertisement with a gap of atleast 30 clear days before the aforesaid meetings, indicating the day, date and the place and time as aforesaid, to be published in the English Daily *"Indian Express"* (All India Edition), and *"Dina Mani" Tamil* (Tamil Nadu Edition) in Vernacular stating the copies of Scheme, the Explanatory Statement required to be furnished pursuant to Section 230 of the Companies Act, 2013 and the form of proxy shall be provided free of charge at the registered office of the respective Applicant Companies.

33. The Chairperson shall as aforestated be responsible to report the result of the meeting within a period of 3 days of the conclusion of the meeting with details of voting on the proposed scheme.

34. The companies shall individually send notice to concerned Regional Director, MCA, the Income Tax Authorities, Registrar of Companies Chennai, Official Liquidator in respect of Transferor Company, Reserve Bank of India, Securities Exchange Board of India, Bombay Stock Exchange, as well as other Sectoral regulators who may have significant bearing on the operation of the applicant companies or the Scheme *per se* along with copy of required documents and disclosures required under the provisions of Companies Act, 2013 read with Companies (Compromises, Arrangements, Amalgamations) Rules, 2016.

35. The applicant companies shall further furnish copy of the Scheme free of charge within 1 day of any requisition for the Scheme made by every creditor or member of the applicant companies entitled to attend the meetings as aforesaid.

36. The Authorized Representative of the Applicant Companies shall furnish an affidavit of service of notice of meetings and publication of advertisement and compliance of all directions contained herein at least a week before the proposed meetings.

37. All the aforesaid directions are to be complied with strictly in accordance with the applicable law including forms and formats contained in the Companies (Compromises, Arrangements, Amalgamations) Rules, 2016 as well as the provisions of the Companies Act, 2013 by the Applicants.

38. All the Applications stand **allowed** on the aforesaid terms.

ANIL KUMAR B
MEMBER (TECHNICAL)

JUSTICE RAMALINGAM SUDHAKAR
PRESIDENT

Raymond

Annexure G

SHRIRAM TRANSPORT FINANCE COMPANY LIMITED

CIN: L65191TN1979PLC007874

Regd. Office: Sri Towers, 14A, South Phase, Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu.

Tel. No: +91 44 4852 4666, Fax: +91 44 4852 5666. Website-www.stfc.in, email-secretarial@stfc.in

STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2022

(Rs. in crores)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2022 (Audited) *	31.12.2021 (Unaudited)	31.03.2021 (Audited)*	31.03.2022 (Audited)	31.03.2021 (Audited)
	Revenue from operations					
(i)	Interest income	4,928.16	4,660.68	4,403.26	18,646.26	17,128.14
(ii)	Dividend income	-	-	-	-	-
(iii)	Rental income	0.04	0.05	0.04	0.17	0.21
(iv)	Fees and commission income	29.78	24.83	40.95	100.08	115.86
(v)	Net gain on fair value changes	54.39	61.65	17.54	221.70	21.80
(vi)	Net gain on derecognition of financial instruments under amortised cost category	49.36	67.12	-	217.74	58.85
(vii)	Others	19.88	13.53	32.18	69.22	95.59
(I)	**Total Revenue from operations**	**5,081.61**	**4,827.86**	**4,493.97**	**19,255.17**	**17,420.45**
(II)	**Other income**	**5.98**	**4.47**	**3.90**	**19.06**	**15.95**
(III)	**Total Income (I+II)**	**5,087.59**	**4,832.33**	**4,497.87**	**19,274.23**	**17,436.40**
	Expenses					
(i)	Finance costs	2,403.72	2,397.25	2,287.85	9,734.31	9,054.26
(ii)	Fees and commission expenses	11.53	17.51	18.41	91.74	78.89
(iii)	Impairment on financial instruments (Refer note 6, 9 and 10)	760.79	984.27	723.64	3,860.86	3,118.40
(iv)	Employee benefits expenses	274.88	242.87	248.30	997.09	906.25
(v)	Depreciation, amortization and impairment	34.60	34.66	32.48	135.37	137.36
(vi)	Others expenses	251.45	232.48	249.17	905.61	863.23
(IV)	**Total Expenses**	**3,736.97**	**3,909.04**	**3,559.85**	**15,724.98**	**14,158.39**
(V)	**Profit before exceptional items and tax (III - IV)**	**1,350.62**	**923.29**	**938.02**	**3,549.25**	**3,278.01**
(VI)	**Exceptional items**	-	-	-	-	-
(VII)	**Profit before tax (V +VI)**	**1,350.62**	**923.29**	**938.02**	**3,549.25**	**3,278.01**
(VIII)	**Tax expense:**					
(1)	Current tax	153.67	338.66	578.41	1,112.57	1,197.77
(2)	Deferred tax	193.14	(95.99)	(533.66)	(188.93)	(545.36)
(3)	Tax adjustment for earlier years	(82.32)	-	138.34	(82.32)	138.34
(IX)	**Profit for the period (VII -VIII)**	**1,086.13**	**680.62**	**754.93**	**2,707.93**	**2,487.26**
(X)	**Other comprehensive income**					
(A) (i)	Items that will not be reclassified to profit or loss Remeasurement gain/(loss) on defined benefit plan	0.78	(0.78)	0.69	(3.24)	-
(ii)	Income tax relating to items that will not be reclassified to profit or loss	(0.19)	0.19	(0.17)	0.82	-
	Subtotal (A)	**0.59**	**(0.59)**	**0.52**	**(2.42)**	**-**
(B) (i)	Items that will be reclassified to profit or loss Cash flow hedge reserve	(187.25)	50.96	23.40	(160.87)	(124.31)
(ii)	Income tax relating to items that will be reclassified to profit or loss	47.13	(12.83)	(5.89)	40.49	31.29
	Subtotal (B)	**(140.12)**	**38.13**	**17.51**	**(120.38)**	**(93.02)**
	Other comprehensive income (A+B)	**(139.53)**	**37.54**	**18.03**	**(122.80)**	**(93.02)**
(XI)	**Total comprehensive income for the period (IX+X)**	**946.60**	**718.16**	**772.96**	**2,585.13**	**2,394.24**
(XII)	**Paid-up equity share capital (face value Rs. 10/- per share)**	**270.52**	**270.52**	**253.06**	**270.52**	**253.06**
(XIII)	**Other equity**				**25,661.67**	**21,315.31**
(XIV)	**Earnings per equity share (Not annualised for the interim periods)**					
	Basic (Rs.)	40.15	25.26	30.65	101.74	100.97
	Diluted (Rs.)	40.15	25.26	30.65	101.74	100.97

Notes:

1 STATEMENT OF ASSETS AND LIABILITIES

(Rs. in crores)

Sr. No.	Particulars	As at 31.03.2022 (Audited)	As at 31.03.2021 (Audited)
	ASSETS		
(1)	**Financial Assets**		
(a)	Cash and cash equivalents	10,662.44	11,050.93
(b)	Bank balance other than (a) above	5,692.72	5,390.89
(c)	Derivative financial instruments	201.40	169.25
(d)	Receivables		
	(I) Trade Receivables	5.35	8.92
	(II) Other Receivables	192.67	49.90
(e)	Loans	1,16,665.15	1,08,303.04
(f)	Investments	6,809.16	3,197.85
(g)	Other Financial assets	51.45	49.03
	Total financial assets	**1,40,280.34**	**1,28,219.81**
(2)	**Non-financial Assets**		
(a)	Current tax assets (Net)	228.24	171.73
(b)	Deferred tax assets (Net)	869.38	639.14
(c)	Investment Property	1.97	2.00
(d)	Property, Plant and Equipment	110.56	124.44
(e)	Right of use assets	302.52	308.51
(f)	Other Intangible assets	3.04	2.39
(g)	Other non-financial assets	310.04	293.32
	Total non-financial assets	**1,825.75**	**1,541.53**
	Total Assets	**1,42,106.09**	**1,29,761.34**
	LIABILITIES AND EQUITY		
	LIABILITIES		
(1)	**Financial Liabilities**		
(a)	Payables		
	(I) Trade Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	0.02	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	166.01	152.52
	(II) Other Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	1.46	0.37
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1.21	0.54
(b)	Debt Securities	41,256.55	40,061.87
(c)	Borrowings (Other than Debt Securities)	46,676.93	45,281.37
(d)	Deposits	21,948.98	16,232.41
(e)	Subordinated Liabilities	4,614.25	4,620.76
(f)	Lease liabilities	349.43	349.49
(g)	Other financial liabilities	859.64	1,149.82
	Total financial liabilities	**1,15,874.48**	**1,07,849.15**
(2)	**Non-Financial Liabilities**		
(a)	Current tax liabilities (Net)	36.82	102.02
(b)	Provisions	138.18	142.54
(c)	Other non-financial liabilities	124.42	99.26
	Total non-financial liabilities	**299.42**	**343.82**
	Total liabilities	**1,16,173.90**	**1,08,192.97**
(3)	**EQUITY**		
(a)	Equity Share capital	270.52	253.06
(b)	Other Equity	25,661.67	21,315.31
	Total equity	**25,932.19**	**21,568.37**
	Total Liabilities and Equity	**1,42,106.09**	**1,29,761.34**

2 Cash Flow Statement for the year ended March 31, 2022

(Rs. in crores)

	Particulars	Year Ended	
		31.03.2022 (Audited)	31.03.2021 (Audited)
A.	**Cash flow from Operating activities**		
	Profit before tax	3,549.25	3,278.01
	Depreciation, amortisation and impairment	135.37	137.36
	Interest income on loans	(18,028.13)	(16,611.31)
	Finance costs	9,734.31	9,054.26
	Loss/(profit) on sale of property plant and equipments (net)	0.79	0.65
	Impairment on loans	3,865.02	3,128.29
	Impairment on investments	(2.00)	(4.22)
	Impairment on undrawn loan commitment	(4.00)	(5.45)
	Impairment on other assets	1.84	(0.22)
	Net (gain)/loss on fair value changes on investment	(236.83)	(22.87)
	Net (gain)/loss on fair value changes on direct assignment	15.13	1.07
	Net gain on derecognition of financial instruments under amortised cost category	217.74	58.85
	Cash inflow from interest on loans	18,006.70	18,405.90
	Cash outflow towards finance costs	(8,588.09)	(7,745.19)
	Operating profit before working capital changes	**8,667.10**	**9,675.13**
	Movements in Working capital:		
	Decrease/(increase) in loans	(12,205.70)	(10,994.29)
	(Increase)/decrease in investments	(3,372.48)	(372.28)
	Decrease/(increase) in receivables	(372.06)	(102.64)
	Decrease/(increase) in bank deposits	(301.83)	(1,164.96)
	Decrease/(increase) in other financial assets	(4.26)	(10.11)
	Decrease/(increase) in other non-financial assets	(14.67)	(41.13)
	Increase/(decrease) in payables	13.51	8.68
	Increase/(decrease) in other financial liabilities	(138.25)	3.94
	Increase/(decrease) in non-financial liabilities	25.16	15.98
	Increase/(decrease) in other provision	(3.60)	1.66
	Cash used in operations	**(7,707.08)**	**(2,980.02)**
	Direct taxes paid (net of refunds)	(1,151.94)	(1,258.75)
	Net cash flows from/(used in) operating activities (A)	**(8,859.02)**	**(4,238.77)**
B.	**Cash flow from Investing activities**		
	Purchase of property, plant and equipment and intangible assets	(35.75)	(25.82)
	Proceeds from sale of property, plant and equipment and intangible assets	1.42	0.94
	Net cash generated from/(used in) investing activities (B)	**(34.33)**	**(24.88)**
C.	**Cash flow from Financing activities**		
	Proceeds from issue of share capital (including share premium and net of share issue expenses)	2,478.57	1,472.64
	Proceeds/(repayment) on settlement of derivative contracts	(32.15)	589.48
	Increase / (decrease) in Fixed deposits (net)	5,443.14	4,206.86
	Amount received from debt securities	16,637.86	10,636.15
	Repayment of debt securities	(16,203.36)	(5,797.45)
	Proceeds/(repayment) of subordinated debts	(50.32)	(1,069.27)
	Amount received from borrowings other than debt securities	41,477.93	38,480.04
	Repayment of borrowings other than debt securities	(40,280.10)	(36,032.94)
	Payment of lease liabilities	(114.90)	(107.33)
	Dividend paid	(851.81)	(152.59)
	Net cash generated from/(used in) financing activities (C)	**8,504.86**	**12,225.59**
	Net increase in cash and cash equivalents (A+B+C)	(388.49)	7,961.94
	Cash and cash equivalents at the beginning of the year	11,050.93	3,088.99
	Cash and cash equivalents at the end of the year	**10,662.44**	**11,050.93**

Components of cash and cash equivalents

(Rs. in crores)

	Cash and cash equivalents at the end of the year	As at	
		31.03.2022 (Audited)	31.03.2021 (Audited)
	i) Cash on hand	95.05	79.61
	ii) Cheques on hand	5.56	6.16
	iii) Balances with banks (of the nature of cash and cash equivalents)	2,654.78	5,014.78
	iv) Call Money (CBLO)	3,198.60	2,498.85
	v) Bank deposit with original maturity upto three months or less	4,708.45	3,451.53
	Total	**10,662.44**	**11,050.93**

3 The above results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on April 28, 2022.

4 The standalone financial results for the year ended March 31, 2022 have been audited by the Statutory Auditors.

5 * The figures for the fourth quarter of the current financial year and previous financial year are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of third quarter of the current and previous financial year which was subject to limited review by the statutory auditors.

6 The significant increase in economic activities post easing of lockdown by the state governments due to COVID -19 had resulted in improvement in business operations of the Company. As a matter of prudence, during the quarter, the Company has written off Loans outstanding amounting to Rs. 799.92 crores by utilising the ECL provision created as management overlay on account of COVID -19. The ECL provision of Rs. 2,052.58 crores is retained by the company as at March 31, 2022 towards management overlay on account of COVID-19.

The additional ECL provision retained on account of COVID – 19 is based on the Company's historical experience, collection efficiencies post lockdown, internal assessment and other emerging forward looking factors on account of the pandemic. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic. The Company's management is continuously monitoring the situation and the economic factors affecting the operations of the Company.

7 The Company invoked resolution plans to relieve COVID-19 pandemic related stress to eligible borrowers. The resolution plans are based on the parameters laid down in the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on August 6, 2020 and May 5, 2021. The staging of accounts and provisioning for the eligible accounts where the resolution plans are invoked and implemented is in accordance with the Board Approved Policy in this regard.

Disclosure as per the format prescribed as per the notification no. RBI/2020-21/16 DOR.NO.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 and RBI/2021-22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated May 05, 2021

(Rs. in crores)

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the
Personal Loans #	974.96	40.01	1.98	162.95	770.01
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**974.96**	**40.01**	**1.98**	**162.95**	**770.01**

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

pertains to automobile loans

8 The Board of Directors of the Company in its meeting held on December 13, 2021 had approved a Composite Scheme of Arrangement and Amalgamation ("Scheme"), inter alia, involving amalgamation of Shriram Capital Limited (after de-merger of a few undertakings from the said Shriram Capital Limited) and Shriram City Union Finance Limited with the Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The said Scheme is effective upon approval of shareholders, creditors, Hon'ble National Company Law Tribunal, Reserve Bank of India and other regulatory and statutory approvals as applicable with an appointed date as of April 01, 2022. The Company has already initiated process for the approval of the Scheme by various statutory authorities. The Company has already received Observation letters dated March 15, 2022 and March 16 ,2022 from BSE Limited (designated Stock Exchange) and National Stock Exchange of India Ltd. respectively. It may also be noted that the financial results are for the year ended March 31, 2022, which is prior to the appointed date i.e. April 01, 2022 and as such the approval/implementation of Scheme has no implications on these financial results.

9 The Company had been fully providing for the underlying loans net of its estimated realisable value in respect of which collaterals had been repossessed and not sold for more than 12 months till June 30, 2021. During the quarter ended September 30, 2021, the Company had revised its policy to fully provide for the underlying loans net of its estimated realisable value in respect of which collaterals had been repossessed and not sold for more than 6 months. Had it continued to follow the earlier policy, impairment of financial instruments for the year ended March 31, 2022 would have been lower by Rs. 30.49 crores and profit before tax for the same period would have been higher by Rs. 30.49 crores.

10 Pursuant to RBI circular RBI/2021-22/125 DOR/STR/REC.68/21.04.048/2021-22 dated November 12, 2021, on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications, the Company has revised its process of NPA classification to flagging of the borrower accounts as overdue as part of the day-end processes for the due date. Had the Company followed the earlier method, the profit before tax for the year ended on March 31, 2022 would have been higher by Rs. 407.65 crores.

11 **Disclosure pertaining to RBI Master Direction - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021**

(a) Details of transfer through assignment in respect of loans not in default during year ended March 31, 2022

Count of loans accounts assigned	53,252
Amount of loan accounts assigned (Rs. in crores)	1,267.08
Weighted average maturity (in months)	39
Weighted average holding period (in months)	13
Retention of beneficial economic interest (%)	10.00%
Coverage of tangible security (%)	100.00%
Rating wise distribution of rated loans	Not rated

(b) The Company has not acquired any loans (not in default) through assignment during the financial year ended March 31, 2022.

(c) The Company has neither acquired nor transferred any stressed loans during the year ended March 31, 2022.

12 The Board of Directors in their meeting held on March 05, 2022 declared second interim equity dividend of 120% (Rs. 12/- per equity share of nominal face value of Rs. 10/- each fully paid up) for the financial year 2021-22, amounting to Rs. 324,62,36,556/- (gross) subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders. The record date for payment of second interim equity dividend was March 14, 2022. The second interim dividend was paid to eligible shareholders on March 24, 2022. The Board of Directors in its meeting held today have not recommended final dividend. As such the interim dividend aggregating to Rs.20/-per share (i.e. 200 %) shall be the final dividend for the financial year 2021-22 .

13 On January 18, 2022, the Company issued and allotted USD 475,000,000 4.15% senior secured notes due 2025 in offshore market (Social Bonds) for sum of Rs. 3,513 crores under USD 3.5 Billion Global Medium Term Note Programme. The said Social Bonds were listed on Singapore Stock Exchange (SGX- ST) on January 19, 2022. The proceeds of the issue of the Social Bonds have been utilised as per the Company's Social Finance Framework, for onward lending and other activities as permitted by the RBI Master Direction — External Commercial Borrowings, Trade Credits and Structured Obligations.

14 The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Company towards Provident Fund and Gratuity. The effective date from which changes are applicable is yet to be notified and the rules thereunder are yet to be announced. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.

15 The Company's secured non-convertible debentures are secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and mortgage of immovable property and with a cover of 100% and above as per the terms of issue.

16 Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached in Annexure1.

17 The Company is primarily engaged in the business of financing and there are no separate reportable segments identified as per the Ind AS 108 - Operating segments.

18 The figures for the previous quarter/year have been regrouped / rearranged wherever necessary to conform to the current quarter/year presentation.

19 Disclosures pertaining to Fund raising by issuance of Debt Securities by Large Corporate:

The Company, as per the SEBI circular SE131/HO/DDHS/CIR/P/2018/144, and the definitions therein, is a Large Corporate and hence is required to disclose the following information about its borrowings

I) Initial Disclosure as per Annexure - 'A' filed within 30 days from the beginning of the financial year for the FY: 2022-23

Sr. No.	Particulars	Details
1	Name of the company	Shriram Transport Finance Company Limited
2	CIN	L65191TN1979PLC007874
3	Outstanding borrowing of company as on March 31, 2022 # * (Rs. in crores)	Rs. 65,487.48
4	Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	
	Deposits	CRISIL Limited - CRISIL FAAA/Stable
	Non-Convertible Debentures/Subordinated Debt	CRISIL Limited - CRISIL AA+/Stable
		India Ratings & Research Private Limited– IND AA+/ Stable Outlook
		Care Ratings Limited – CARE AA+/ Stable
	Short Term Debt	CRISIL Limited – CRISIL A1+
		India Ratings & Research Private Limited – IND A1+
		Care Ratings Limited – CARE A1+
	Long Term Principal Protected Market Linked Debentures	CRISIL Limited – CRISIL PP-MLD AA+r/Stable
	Structured Non-Convertible Debentures	India Ratings & Research Private Limited -IND AAA (CE)/Stable
	Bank Loan facilities : Long Term Rating	CRISIL Limited - CRISIL AA+/Stable
	Bank Loan facilities : Short Term Rating	CRISIL Limited - CRISIL A1+
5	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	BSE Limited

II) Annual disclosure as per Annexure - B2 for the year ended March 31, 2022 and March 31, 2021

(Rs. in crores)

Sr. No.	Particulars		Year ended	
			31.03.2022 (Audited)	31.03.2021 (Audited)
i	2-year block period		2021-22 & 2022-23	NA
ii	Incremental borrowing done in FY 2021-22 #*	a	31,360.68	20,017.16
iii	Mandatory borrowing to be done through debt securities in FY 2021-22 (b) = (25% of a)	b	7,840.17	5,004.29
iv	Actual borrowing done through debt securities in FY 2021-22	c	8,800.00	5,133.30
v	Shortfall in the borrowing through debt securities, if any, for FY 2020-21 carried forward to FY 2021-22.	d	-	-
vi	Quantum of (d), which has been met from (c)	e	-	-
vii	Shortfall, if any, in the mandatory borrowing through debt securities for FY 2021-22 {after adjusting for any shortfall in borrowing for FY 2020-21 which was carried forward to FY 2021-22} (f)= (b)-[(c)-(e)]	f	Nil	Nil

Details of penalty to be paid, if any, in respect to previous block:

(Rs. in crores)

Sr. No.	Particulars	Year ended	
		31.03.2022 (Audited)	31.03.2021 (Audited)
i	2-year Block period (Specify financial years)	2020-21 & 2021-22	NA
ii	Amount of fine to be paid for the block, if applicable Fine = 0.2% of {(d)-(e)}#	-	NA

Figures pertain to long-term borrowing with original maturity of more than one year (excluding External Commercial Borrowings, external commercial bonds, senior secured notes, inter-corporate borrowings between holding company and associate and securitization liabilities).

*Figures are taken on the basis of cash flows / principal maturity value, excluding accrued interest, if any.

By order of the Board
For Shriram Transport Finance Company Limited

Umesh Revankar
Vice Chairman & Managing Director
DIN: 00141189

Place: Mumbai
Date: April 28, 2022

SHRIRAM TRANSPORT FINANCE COMPANY LIMITED

CIN: L65191TN1979PLC007874

Regd. Office: Sri Towers, 14A, South Phase, Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu.

Tel. No: +91 44 4852 4666, Fax: +91 44 4852 5666. Website-www.stfc.in, email-secretarial@stfc.in

Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Annexure 1

Sr No.	Particulars	Standalone				
		Quarter Ended			Year Ended	
		31.03.2022 (Audited) *	31.12.2021 (Unaudited)	31.03.2021 (Audited)*	31.03.2022 (Audited)	31.03.2021 (Audited)
1	Debt -equity Ratio (times) [1]	4.42	4.45	4.92	4.42	4.92
2	Debt Service Coverage Ratio [2]	NA	NA	NA	NA	NA
3	Interest Service Coverage Ratio [2]	NA	NA	NA	NA	NA
4	Outstanding Redeemable Preference Shares (Quantity)	Nil	Nil	Nil	Nil	Nil
5	Outstanding Redeemable Preference Shares (value) (Rs. in crores)	Nil	Nil	Nil	Nil	Nil
6	Capital Redemption reserve (Rs. in crore)	53.88	53.88	53.88	53.88	53.88
7	Debenture redemption reserve (Rs. in crore)	307.28	921.41	921.41	307.28	921.41
8	Networth [3] (Rs. in crores)	25,904.55	25,282.57	21,540.73	25,904.55	21,540.73
9	Net profit after tax (Rs. in crores)	1,086.13	680.62	754.93	2,707.93	2,487.26
10	Earnings per equity share (Not annualised for the interim periods)					
	Basic (Rs.)	40.15	25.26	30.65	101.74	100.97
	Diluted (Rs.)	40.15	25.26	30.65	101.74	100.97
11	Current Ratio	NA	NA	NA	NA	NA
12	Long Term Debt to Working Capital	NA	NA	NA	NA	NA
13	Bad Debts to Accounts Receivable Ratio	NA	NA	NA	NA	NA
14	Current Liability Ratio	NA	NA	NA	NA	NA
15	Total Debts [4] to Total Assets	0.81	0.81	0.82	0.81	0.82
16	Debtors Turnover	NA	NA	NA	NA	NA
17	Inventory Turnover	NA	NA	NA	NA	NA
18	Operating Margin (%)	NA	NA	NA	NA	NA
19	Net Profit Margin (%) [5]	21.35%	14.08%	16.78%	14.05%	14.26%
20	Sector Specific equivalent ratios					
	Capital adequacy Ratio (%) [6]	22.97%	23.31%	22.50%	22.97%	22.50%
	Gross NPA ratio (%) [7]	7.07%	8.40%	7.14%	7.07%	7.14%
	Net NPA ratio(%) [8]	3.67%	4.36%	4.26%	3.67%	4.26%
	NPA Provision Coverage ratio (%) [9]	49.97%	50.25%	42.04%	49.97%	42.04%
	Liquidity coverage ratio (%) [10]	148.70%	164.99%	482.97%	148.70%	482.97%

Note

1 Debt-equity ratio = (Debt securities+ Borrowings (other than debt securities)+Deposit+ Subordinated liabilities) /Share holders fund

2 The Company is registered under the Reserve Bank of India Act, 1934 as Non-Banking Financial Company, hence these ratios are generally not applicable as per proviso to Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3 Networth is calculated as defined in section 2(57) of Companies Act 2013.

4 Total debts to total assets = (Debt securities+ Borrowings (other than debt securities)+Deposit+ Subordinated liabilities)/ Total assets .

5 Net profit margin = Net profit after tax/ Total Income

6 Capital ratio= Total Capital funds/ Risk weighted assets, calculated as per applicable RBI guidelines

7 Gross NPA ratio (%)= Gross stage 3 loans/Gross Loans

8 Net NPA ratio (%)= Net stage 3 loans/(Gross loans-ECL on stage 3 loans) where Net stage 3 loans = Gross stage 3 loans - ECL on stage 3 loans

9 NPA Provision coverage ratio(%)= ECL on stage 3 loans/Gross stage 3 loans

10 Liquidity Coverage Ratio (LCR) is calculated as per circular no. RBI/2019-20/88DDR.NBFC.(PD) CC. No. 102/03.10.001/2019-20 dated November 04,2019 issued by the Reserve Bank of India. As per the said circular, LCR is applicable from December 1, 2020

11 NPA= Non-performing Assets

SHRIRAM TRANSPORT FINANCE COMPANY LIMITED

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STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2022

(Rs. in crores)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31.03.2022 (Audited) *	31.12.2021 (Unaudited)	31.03.2021 (Audited)*	31.03.2022 (Audited)	31.03.2021 (Audited)
	Revenue from operations					
(i)	Interest income	4,928.16	4,660.68	4,403.26	18,646.26	17,128.14
(ii)	Dividend income	-	-	-	-	-
(iii)	Rental income	0.04	0.05	0.04	0.17	0.21
(iv)	Fees and commission income	29.78	24.83	40.95	100.08	115.86
(v)	Net gain on fair value changes	54.39	61.65	17.54	221.70	21.80
(vi)	Net gain on derecognition of financial instruments under amortised cost category	49.36	67.12	-	217.74	58.85
(vii)	Others	19.88	13.53	32.18	69.22	95.59
(I)	**Total Revenue from operations**	**5,081.61**	**4,827.86**	**4,493.97**	**19,255.17**	**17,420.45**
(II)	**Other income**	**5.98**	**4.47**	**3.90**	**19.06**	**15.95**
(III)	**Total Income (I+II)**	**5,087.59**	**4,832.33**	**4,497.87**	**19,274.23**	**17,436.40**
	Expenses					
(i)	Finance costs	2,403.72	2,397.25	2,287.85	9,734.31	9,054.26
(ii)	Fees and commission expenses	11.53	17.51	18.41	91.74	78.89
(iii)	Impairment on financial instruments (Refer note 6, 9 and 10)	760.79	984.27	723.64	3,860.86	3,118.40
(iv)	Employee benefits expenses	274.88	242.87	248.30	997.09	906.25
(v)	Depreciation, amortization and impairment	34.60	34.66	32.48	135.37	137.36
(vi)	Others expenses	251.45	232.48	249.17	905.61	863.23
(IV)	**Total Expenses**	**3,736.97**	**3,909.04**	**3,559.85**	**15,724.98**	**14,158.39**
(V)	**Profit before exceptional items and tax (III - IV)**	**1,350.62**	**923.29**	**938.02**	**3,549.25**	**3,278.01**
(VI)	**Exceptional items**	-	-	**-**	-	-
(VII)	**Profit before tax (V +VI)**	**1,350.62**	**923.29**	**938.02**	**3,549.25**	**3,278.01**
(VIII)	**Tax Expense:**					
(1)	Current Tax	153.67	338.66	578.41	1,112.57	1,197.77
(2)	Deferred Tax	193.14	(95.99)	(533.66)	(188.93)	(545.36)
(3)	Tax adjustment for earlier years	(82.32)	-	138.34	(82.32)	138.34
(IX)	**Profit for the period (VII -VIII)**	**1,086.13**	**680.62**	**754.93**	**2,707.93**	**2,487.26**
(X)	Share of Profit/(loss) of associate	5.10	5.40	1.77	13.17	11.57
(XI)	**Minority interest**			-	**-**	**-**
(XII)	**Net Profit after taxes, minority interest and share of profit/(loss) of associate (IX+X+XI)**	**1,091.23**	**686.02**	**756.70**	**2,721.10**	**2,498.83**
(XIII)	**Other comprehensive income**					
(A) (i)	Items that will not be reclassified to profit or loss Remeasurement gain/(loss) on defined benefit plan	0.78	(0.78)	0.69	(3.24)	-
(ii)	Income tax relating to items that will not be reclassified to profit or	(0.19)	0.19	(0.17)	0.82	-
(iii)	Share in Other comprehensive income of Associate (net of tax)	0.05	0.01	0.18	(0.02)	0.20
	Subtotal (A)	**0.64**	**(0.58)**	**0.70**	**(2.44)**	**0.20**
(B) (i)	Items that will be reclassified to profit or loss Cash flow hedge reserve	(187.25)	50.96	23.40	(160.87)	(124.31)
(ii)	Income tax relating to items that will be reclassified to profit or loss	47.13	(12.83)	(5.89)	40.49	31.29
	Subtotal (B)	**(140.12)**	**38.13**	**17.51**	**(120.38)**	**(93.02)**
	Other comprehensive income (A+B)	**(139.48)**	**37.55**	**18.21**	**(122.82)**	**(92.82)**
(XIV)	**Total comprehensive income for the period (XII+XIII)**	**951.75**	**723.57**	**774.91**	**2,598.28**	**2,406.01**
(XV)	**Paid-up equity share capital (face value Rs. 10/- per**	**270.52**	**270.52**	**253.06**	**270.52**	**253.06**
(XVI)	**Other equity**				**25,823.74**	**21,464.23**
(XVII)	**Earnings per equity share (Not annualised for the interim**					
	Basic (Rs.)	40.34	25.46	30.72	102.23	101.44
	Diluted (Rs.)	40.34	25.46	30.72	102.23	101.44

Notes:

1 STATEMENT OF ASSETS AND LIABILITIES

(Rs. in crores)

Sr. No.	Particulars	As at 31.03.2022 (Audited)	As at 31.03.2021 (Audited)
	ASSETS		
(1)	**Financial Assets**		
(a)	Cash and cash equivalents	10,662.44	11,050.93
(b)	Bank Balance other than (a) above	5,692.72	5,390.89
(c)	Derivative financial instruments	201.40	169.25
(d)	Receivables		
	(I) Trade Receivables	5.35	8.92
	(II) Other Receivables	192.67	49.90
(e)	Loans	1,16,665.15	1,08,303.04
(f)	Investments	6,971.23	3,346.77
(g)	Other Financial assets	51.45	49.03
	Total financial assets	**1,40,442.41**	**1,28,368.73**
(2)	**Non-financial Assets**		
(a)	Current tax assets (Net)	228.24	171.73
(b)	Deferred tax assets (Net)	869.38	639.14
(c)	Investment property	1.97	2.00
(d)	Property, Plant and Equipment	110.56	124.44
(e)	Right of use assets	302.52	308.51
(f)	Other Intangible assets	3.04	2.39
(g)	Other non-financial assets	310.04	293.32
	Total non-financial assets	**1,825.75**	**1,541.53**
	Total Assets	**1,42,268.16**	**1,29,910.26**
	LIABILITIES AND EQUITY		
	LIABILITIES		
(1)	**Financial Liabilities**		
(a)	Payables		
	(I) Trade Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	0.02	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	166.01	152.52
	(II) Other Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	1.46	0.37
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1.21	0.54
(b)	Debt Securities	41,256.55	40,061.87
(c)	Borrowings (Other than Debt Securities)	46,676.93	45,281.37
(d)	Deposits	21,948.98	16,232.41
(e)	Subordinated Liabilities	4,614.25	4,620.76
(f)	Lease Liabilities	349.43	349.49
(g)	Other financial liabilities	859.64	1,149.82
	Total financial liabilities	**1,15,874.48**	**1,07,849.15**
(2)	**Non-Financial Liabilities**		
(a)	Current tax liabilities (Net)	36.82	102.02
(b)	Provisions	138.18	142.54
(c)	Other non-financial liabilities	124.42	99.26
	Total non-financial liabilities	**299.42**	**343.82**
	Total liabilities	**1,16,173.90**	**1,08,192.97**
(3)	**EQUITY**		
(a)	Equity Share capital	270.52	253.06
(b)	Other Equity	25,823.74	21,464.23
	Total equity	**26,094.26**	**21,717.29**
	Total Liabilities and Equity	**1,42,268.16**	**1,29,910.26**

2 Consolidated Cash Flow Statement for the year ended March 31, 2022

(Rs. in crores)

	Particulars	Year Ended	
		31.03.2022 (Audited)	31.03.2021 (Audited)
A.	**Cash flow from Operating activities**		
	Profit before tax	3,549.25	3,278.01
	Depreciation, amortisation and impairment	135.37	137.36
	Interest income on loans	(18,028.13)	(16,611.31)
	Finance costs	9,734.31	9,054.26
	Loss/(profit) on sale of property plant and equipments (net)	0.79	0.65
	Impairment on loans	3,865.02	3,128.29
	Impairment on investments	(2.00)	(4.22)
	Impairment on undrawn loan commitment	(4.00)	(5.45)
	Impairment on other assets	1.84	(0.22)
	Net (gain)/loss on fair value changes on investment	(236.83)	(22.87)
	Net (gain)/loss on fair value changes on direct assignment	15.13	1.07
	Net gain on derecognition of financial instruments under amortised cost category	217.74	58.85
	Cash inflow from interest on loans	18,006.70	18,405.90
	Cash outflow towards finance costs	(8,588.09)	(7,745.19)
	Operating profit before working capital changes	**8,667.10**	**9,675.13**
	Movements in Working capital:		
	Decrease/(increase) in loans	(12,205.70)	(10,994.29)
	(Increase)/decrease in investments	(3,372.48)	(372.28)
	Decrease/(increase) in receivables	(372.06)	(102.64)
	Decrease/(increase) in bank deposits	(301.83)	(1,164.96)
	Decrease/(increase) in other financial assets	(4.26)	(10.11)
	Decrease/(increase) in other non-financial assets	(14.67)	(41.13)
	Increase/(decrease) in payables	13.51	8.68
	Increase/(decrease) in other financial liabilities	(138.25)	3.94
	Increase/(decrease) in non-financial liabilities	25.16	15.98
	Increase/(decrease) in other provision	(3.60)	1.66
	Cash used in operations	**(7,707.08)**	**(2,980.02)**
	Direct taxes paid (net of refunds)	(1,151.94)	(1,258.75)
	Net cash flows from/(used in) operating activities (A)	**(8,859.02)**	**(4,238.77)**
B.	**Cash flow from Investing activities**		
	Purchase of property, plant and equipment and intangible assets	(35.75)	(25.82)
	Proceeds from sale of property, plant and equipment and intangible assets	1.42	0.94
	Net cash generated from/(used in) investing activities (B)	**(34.33)**	**(24.88)**
C.	**Cash flow from Financing activities**		
	Proceeds from issue of share capital (including share premium and net of share issue expenses)	2,478.57	1,472.64
	Proceeds/(repayment) on settlement of derivative contracts	(32.15)	589.48
	Increase / (decrease) in Fixed deposits (net)	5,443.14	4,206.86
	Amount received from debt securities	16,637.86	10,636.15
	Repayment of debt securities	(16,203.36)	(5,797.45)
	Proceeds/(repayment) of subordinated debts	(50.32)	(1,069.27)
	Amount received from borrowings other than debt securities	41,477.93	38,480.04
	Repayment of borrowings other than debt securities	(40,280.10)	(36,032.94)
	Payment of lease liabilities	(114.90)	(107.33)
	Dividend paid	(851.81)	(152.59)
	Net cash generated from/(used in) financing activities (C)	**8,504.86**	**12,225.59**
	Net increase in cash and cash equivalents (A+B+C)	(388.49)	7,961.94
	Cash and cash equivalents at the beginning of the year	11,050.93	3,088.99
	Cash and cash equivalents at the end of the year	**10,662.44**	**11,050.93**

Components of cash and cash equivalents

(Rs. in crores)

	Cash and cash equivalents at the end of the year	As at	
		31.03.2022 (Audited)	31.03.2021 (Audited)
	i) Cash on hand	95.05	79.61
	ii) Cheques on hand	5.56	6.16
	iii) Balances with banks (of the nature of cash and cash equivalents)	2,654.78	5,014.78
	iv) Call Money (CBLO)	3,198.60	2,498.85
	v) Bank deposit with original maturity upto three months or less	4,708.45	3,451.53
	Total	**10,662.44**	**11,050.93**

3 The above results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on April 28, 2022.

4 The consolidated financial results for the year ended March 31, 2022 have been audited by the Joint Statutory Auditors.

5 * The figures for the fourth quarter of the current financial year and previous financial year are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of third quarter of the current and previous financial year which was subject to limited review by the statutory auditors.

6 The significant increase in economic activities post easing of lockdown by the state governments due to COVID -19 had resulted in improvement in business operations of the Company. As a matter of prudence, during the quarter, the Company has written off Loans outstanding amounting to Rs. 799.92 crores by utilising the ECL provision created as management overlay on account of COVID -19. The ECL provision of Rs. 2,052.58 crores is retained by the company as at March 31, 2022 towards management overlay on account of COVID-19.

The additional ECL provision retained on account of COVID – 19 is based on the Company's historical experience, collection efficiencies post lockdown, internal assessment and other emerging forward looking factors on account of the pandemic. However, the actual impact may vary due to prevailing uncertainty caused by the pandemic. The Company's management is continuously monitoring the situation and the economic factors affecting the operations of the Company.

7 The Company invoked resolution plans to relieve COVID-19 pandemic related stress to eligible borrowers. The resolution plans are based on the parameters laid down in the resolution policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on August 6, 2020 and May 5, 2021. The staging of accounts and provisioning for the eligible accounts where the resolution plans are invoked and implemented is in accordance with the Board Approved Policy in this regard.

Disclosure as per the format prescribed as per the notification no. RBI/2020-21/16 DOR.NO.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 and RBI/2021-22/31/DOR.STR.REC.11 /21.04.048/2021-22 dated May 05, 2021

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans #	974.96	40.01	1.98	162.95	770.01
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**974.96**	**40.01**	**1.98**	**162.95**	**770.01**

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

pertains to automobile loans

8 The Board of Directors of the Company in its meeting held on December 13, 2021 had approved a Composite Scheme of Arrangement and Amalgamation ("Scheme"), inter alia, involving amalgamation of Shriram Capital Limited (after de-merger of a few undertakings from the said Shriram Capital Limited) and Shriram City Union Finance Limited with the Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The said Scheme is effective upon approval of shareholders, creditors, Hon'ble National Company Law Tribunal, Reserve Bank of India and other regulatory and statutory approvals as applicable with an appointed date as of April 01, 2022. The Company has already initiated process for the approval of the Scheme by various statutory authorities. The Company has already received Observation letters dated March 15, 2022 and March 16 ,2022 from BSE Limited (designated Stock Exchange) and National Stock Exchange of India Ltd. respectively. It may also be noted that the financial results are for the year ended March 31, 2022, which is prior to the appointed date i.e. April 01, 2022 and as such the approval/implementation of Scheme has no implications on these financial results.

9 The Company had been fully providing for the underlying loans net of its estimated realisable value in respect of which collaterals had been repossessed and not sold for more than 12 months till June 30, 2021. During the quarter ended September 30, 2021, the Company had revised its policy to fully provide for the underlying loans net of its estimated realisable value in respect of which collaterals had been repossessed and not sold for more than 6 months. Had it continued to follow the earlier policy, impairment of financial instruments for the year ended March 31, 2022 would have been lower by Rs. 30.49 crores and profit before tax for the same period would have been higher by Rs. 30.49 crores.

10 Pursuant to RBI circular RBI/2021-22/125 DOR/STR/REC.68/21.04.048/2021-22 dated November 12, 2021, on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances – Clarifications, the Company has revised its process of NPA classification to flagging of the borrower accounts as overdue as part of the day-end processes for the due date. Had the Company followed the earlier method, the profit before tax for the year ended on March 31, 2022 would have been higher by Rs. 407.65 crores.

11 **Disclosure pertaining to RBI Master Direction - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021**

(a) Details of transfer through assignment in respect of loans not in default during year ended March 31, 2022

Count of loans accounts assigned	53,252
Amount of loan accounts assigned (Rs. in crores)	1,267.08
Weighted average maturity (in months)	39
Weighted average holding period (in months)	13
Retention of beneficial economic interest (%)	10.00%
Coverage of tangible security (%)	100.00%
Rating wise distribution of rated loans	Not rated

(b) The Company has not acquired any loans (not in default) through assignment during the financial year ended March 31, 2022.

(c) The Company has neither acquired nor transferred any stressed loans during the year ended March 31, 2022.

12 The Board of Directors in their meeting held on March 05, 2022 declared second interim equity dividend of 120% (Rs. 12/- per equity share of nominal face value of Rs. 10/- each fully paid up) for the financial year 2021-22, amounting to Rs. 324,62,36,556/- (gross) subject to deduction of tax at source as per the applicable rate(s) to the eligible shareholders. The record date for payment of second interim equity dividend was March 14, 2022. The second interim dividend was paid to eligible shareholders on March 24, 2022. The Board of Directors in its meeting held today have not recommended final dividend. As such the interim dividend aggregating to Rs.20/-per share (i.e. 200 %) shall be the final dividend for the financial year 2021-22 .

13 On January 18, 2022, the Company issued and allotted USD 475,000,000 4.15% senior secured notes due 2025 in offshore market (Social Bonds) for sum of Rs. 3,513 crores under USD 3.5 Billion Global Medium Term Note Programme. The said Social Bonds were listed on Singapore Stock Exchange (SGX- ST) on January 19, 2022. The proceeds of the issue of the Social Bonds have been utilised as per the Company's Social Finance Framework, for onward lending and other activities as permitted by the RBI Master Direction — External Commercial Borrowings, Trade Credits and Structured Obligations.

14 The Code on Social Security, 2020 (the Code) has been enacted, which would impact contribution by the Company towards Provident Fund and Gratuity. The effective date from which changes are applicable is yet to be notified and the rules thereunder are yet to be announced. The actual impact on account of this change will be evaluated and accounted for when notification becomes effective.

15 The Company's secured non-convertible debentures are secured by specific assets covered under hypothecation loan agreements and by way of exclusive charge and mortgage of immovable property and with a cover of 100% and above as per the terms of issue.

16 Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached in Annexure1.

17 The Company operates in a single reporting segment i.e. financing. Its associate is primarily engaged in the business of facilitation service. Since, it does not meet the quantitative thresholds laid down under the Ind AS 108 – “Operating segments” for reportable segments, it has not been considered for segment reporting.

18 The figures for the previous quarter/year have been regrouped / rearranged wherever necessary to conform to the current quarter/year presentation.

19 Disclosures pertaining to Fund raising by issuance of Debt Securities by Large Corporate:

The Company, as per the SEBI circular SE131/HO/DDHS/CIR/P/2018/144, and the definitions therein, is a Large Corporate and hence is required to disclose the following information about its borrowings

I) Initial Disclosure as per Annexure - 'A' filed within 30 days from the beginning of the financial year for the FY: 2022-23

Sr. No.	Particulars	Details
1	Name of the company	Shriram Transport Finance Company Limited
2	CIN	L65191TN1979PLC007874
3	Outstanding borrowing of company as on March 31, 2022 # * (Rs. in crores)	Rs. 65,487.48
4	Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	
	Deposits	CRISIL Limited - CRISIL FAAA/Stable
	Non-Convertible Debentures/Subordinated Debt	CRISIL Limited - CRISIL AA+/Stable
		India Ratings & Research Private Limited– IND AA+/ Stable Outlook
		Care Ratings Limited – CARE AA+/ Stable
	Short Term Debt :	CRISIL Limited – CRISIL A1+
		India Ratings & Research Private Limited – IND A1+
		Care Ratings Limited – CARE A1+
	Long Term Principal Protected Market Linked Debentures	CRISIL Limited – CRISIL PP-MLD AA+r/Stable
	Structured Non-Convertible Debentures	India Ratings & Research Private Limited -IND AAA (CE)/Stable
	Bank Loan facilities : Long Term Rating	CRISIL Limited - CRISIL AA+/Stable
	Bank Loan facilities : Short Term Rating	CRISIL Limited - CRISIL A1+
5	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	BSE Limited

II) Annual disclosure as per Annexure - B2 for the year ended March 31, 2022 and March 31, 2021

(Rs. in crores)

Sr. No.	Particulars		Year ended	
			31.03.2022 (Audited)	31.03.2021 (Audited)
i	2-year block period		2021-22 & 2022-23	NA
ii	Incremental borrowing done in FY 2021-22 #*	a	31,360.68	20,017.16
iii	Mandatory borrowing to be done through debt securities in FY 2021-22 (b) = (25% of a)	b	7,840.17	5,004.29
iv	Actual borrowing done through debt securities in FY 2021-22	c	8,800.00	5,133.30
v	Shortfall in the borrowing through debt securities, if any, for FY 2020-21 carried forward to FY 2021-22.	d	-	-
vi	Quantum of (d), which has been met from (c)	e	-	-
vii	Shortfall, if any, in the mandatory borrowing through debt securities for FY 2021-22 {after adjusting for any shortfall in borrowing for FY 2020-21 which was carried forward to FY 2021-22} (f)= (b)-[(c)-(e)]	f	Nil	Nil

Details of penalty to be paid, if any, in respect to previous block:

(Rs. in crores)

Sr. No.	Particulars	Year ended	
		31.03.2022 (Audited)	31.03.2021 (Audited)
i	2-year Block period (Specify financial years)	2020-21 & 2021-22	NA
ii	Amount of fine to be paid for the block, if applicable Fine = 0.2% of {(d)-(e)}#	-	NA

Figures pertain to long-term borrowing with original maturity of more than one year (excluding External Commercial Borrowings, external commercial bonds, senior secured notes, inter-corporate borrowings between holding company and associate and securitization liabilities).

*Figures are taken on the basis of cash flows / principal maturity value, excluding accrued interest, if any.

By order of the Board
For Shriram Transport Finance Company Limited

Umesh Revankar
Vice Chairman & Managing Director
DIN: 00141189

Place: Mumbai
Date: April 28, 2022

SHRIRAM TRANSPORT FINANCE COMPANY LIMITED

CIN: L65191TN1979PLC007874

Regd. Office: Sri Towers, 14A, South Phase, Industrial Estate, Guindy, Chennai – 600 032, Tamil Nadu.

Tel. No: +91 44 4852 4666, Fax: +91 44 4852 5666. Website-www.stfc.in, email-secretarial@stfc.in

Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Annexure 1

Sr No.	Particulars	Consolidated				
		Quarter Ended			Year Ended	
		31.03.2022 (Audited) *	31.12.2021 (Unaudited)	31.03.2021 (Audited)*	31.03.2022 (Audited)	31.03.2021 (Audited)
1	Debt -equity Ratio (times) [1]	4.39	4.42	4.89	4.39	4.89
2	Debt Service Coverage Ratio [2]	NA	NA	NA	NA	NA
3	Interest Service Coverage Ratio [2]	NA	NA	NA	NA	NA
4	Outstanding Redeemable Preference Shares (Quantity)	Nil	Nil	Nil	Nil	Nil
5	Outstanding Redeemable Preference Shares (value) (Rs. in crores)	Nil	Nil	Nil	Nil	Nil
6	Capital Redemption reserve (Rs. in crores)	53.88	53.88	53.88	53.88	53.88
7	Debenture redemption reserve (Rs. in crores)	307.28	921.41	921.41	307.28	921.41
8	Networth [3] (Rs. in crores)	26,066.62	25,439.49	21,689.65	26,066.62	21,689.65
9	Net profit after tax (Rs. in crores)	1,091.23	686.02	756.70	2,721.10	2,498.83
10	Earnings per equity share (Not annualised for the interim periods)					
	Basic (Rs.)	40.34	25.46	30.72	102.23	101.44
	Diluted (Rs.)	40.34	25.46	30.72	102.23	101.44
11	Current Ratio	NA	NA	NA	NA	NA
12	Long Term Debt to Working Capital	NA	NA	NA	NA	NA
13	Bad Debts to Accounts Receivable Ratio	NA	NA	NA	NA	NA
14	Current Liability Ratio	NA	NA	NA	NA	NA
15	Total Debts [4] to Total Assets	0.80	0.81	0.82	0.80	0.82
16	Debtors Turnover	NA	NA	NA	NA	NA
17	Inventory Turnover	NA	NA	NA	NA	NA
18	Operating Margin (%)	NA	NA	NA	NA	NA
19	Net Profit Margin (%) [5]	21.45%	14.20%	16.82%	14.12%	14.33%
20	Sector Specific equivalent ratios					
	Capital adequacy Ratio (%) [6]	NA	NA	NA	NA	NA
	Gross NPA ratio (%) [7]	NA	NA	NA	NA	NA
	Net NPA ratio(%) [8]	NA	NA	NA	NA	NA
	NPA Provision Coverage ratio (%) [9]	NA	NA	NA	NA	NA
	Liquidity coverage ratio (%) [10]	NA	NA	NA	NA	NA

Note

1 Debt-equity ratio = (Debt securities+ Borrowings (other than debt securities)+Deposit+ Subordinated liabilities) /Share holders fund

2 The Company is registered under the Reserve Bank of India Act, 1934 as Non-Banking Financial Company, hence these ratios are generally not applicable as per proviso to Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3 Networth is calculated as defined in section 2(57) of Companies Act 2013.

4 Total debts to total assets = (Debt securities+ Borrowings (other than debt securities)+Deposit+ Subordinated liabilities)/ Total assets .

5 Net profit margin = Net profit after tax/ Total Income

6 Capital ratio= Total Capital funds/ Risk weighted assets, calculated as per applicable RBI guidelines

7 Gross NPA ratio (%)= Gross stage 3 loans/Gross Loans

8 Net NPA ratio (%)= Net stage 3 loans/(Gross loans-ECL on stage 3 loans) where Net stage 3 loans = Gross stage 3 loans - ECL on stage 3 loans

9 NPA Provision coverage ratio(%)= ECL on stage 3 loans/Gross stage 3 loans

10 Liquidity Coverage Ratio (LCR) is calculated as per circular no. RBI/2019-20/88DDR.NBFC.(PD) CC. No. 102/03.10.001/2019-20 dated November 04,2019 issued by the Reserve Bank of India. As per the said circular, LCR is applicable from December 1, 2020

11 NPA= Non-performing Assets

The Scheme involves (i) amalgamation of Shrilekha Business Consultancy Private Limited ("Transferor Company 1" or "SBCPL") with Shriram Capital Limited ("Transferee Company 1" or "Demerged Company" or "Transferor Company 2" or "SCL") ; (ii) the demerger of that undertaking from SCL, which is carrying on the business of Financial Services, and the transfer and vesting thereof into Shriram Investment Holdings Limited ("Resulting Company 3" or "SIHL") (iii) the demerger of those undertakings from SCL, which are carrying on the businesses of a) Life Insurance and b) General Insurance, and the transfer and vesting of the same into a) Shriram LI Holdings Private Limited ("Resulting Company 1" or "SLIH"), and b) Shriram GI Holdings Private Limited ("Resulting Company 2" or "SGIH") respectively; (iv) the amalgamation of SCL (with its remaining undertaking and investments) with Shriram Transport Finance Company Limited ("Company" or "STFC" or "Transferee Company 2") ; and (v) the amalgamation of Shriram City Union Finance Limited ("Transferor Company 3" or "SCUF") with STFC.
THIS DISCLOSURE DOCUMENT CONTAINS 7 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.
NO EQUITY SHARES ARE PROPOSED TO BE OFFERED PURSUANT TO THIS THE DISCLSOURE DOCUMENT
You may download the Composite Scheme of Arrangement from the stock exchanges where the equity shares of Shriram Transport Finance Company Limited are listed i.e. www.nseindia.com; and www.bseindia.com ("**Stock Exchanges**").

(Capitalised terms not defined herein shall have the meanings ascribed to them under the Composite Scheme of Arrangement)

SHRILEKHA BUSINESS CONSULTANCY PRIVATE LIMITED

Registered Office and Corporate Office:	No.4, Shriram House Burkit Road, T. Nagar, Chennai-600017	
Contact Person:	Mr. Ravi Devaki Venkataraman, Director	**Telephone:** +91 44 4905 2500
E-mail: sect@shriram.com	**Website: Nil**	**CIN:** U74999TN2017PTC114086

PROMOTERS OF THE COMPANY
Shriram Ownership Trust ("**SOT**") SOT is a private discretionary trust incorporated for the purpose of benefits of the senior employees of the Shriram Group.

Details of OFS, Price Band, Minimum Bid Lot & Indicative Timelines- Not Applicable.

SCHEME DETAILS, LISTING AND PROCEDURE
The Scheme involves (i) amalgamation of Shrilekha Business Consultancy Private Limited **("Transferor Company 1" or "SBCPL")** with Shriram Capital Limited **("Transferee Company 1" or "Demerged Company" or "Transferor Company 2" or "SCL")** ; (ii) the demerger of that undertaking from SCL, which is carrying on the business of Financial Services, and the transfer and vesting thereof into Shriram Investment Holdings Limited **("Resulting Company 3" or "SIHL")** (iii) the demerger of those undertakings from SCL, which are carrying on the businesses of a) Life Insurance and b) General Insurance, and the transfer and vesting of the same into a) Shriram LI Holdings Private Limited (**"Resulting Company 1" or "SLIH"**), and b) Shriram GI Holdings Private Limited (**"Resulting Company 2" or "SGIH"**) respectively; (iv) the amalgamation of SCL (with its remaining undertaking and investments) with Shriram Transport Finance Company Limited (**"Company" or "STFC" or "Transferee Company 2"**) ; and (v) the amalgamation of Shriram City Union Finance Limited (**"Transferor Company 3" or "SCUF"**) with STFC. The Scheme also involves, incidental and ancillary to the amalgamation and demerger set out in (i) to (v) above:

(a) The cancellation of the equity share capital of Shriram Financial Ventures (Chennai) Private Limited ("**SFVPL**") held by SBCPL as set out in Part III of the Scheme;
(b) The cancellation of the preference share capital (comprised of redeemable preference shares) of SCL held by the holders of redeemable preference shares of SCL and the issue of redeemable preference shares of SIHL to the said shareholders;
(c) The cancellation of the existing equity share capital held by SCL in SIHL, SLIH and SGIH;

and for matters consequential, supplemental, and/or otherwise integrally connected therewith.

The Appointed date for the Scheme is 01.04.2022.

Rationale

The reasons and rationale underlying the Scheme specific to each of the concerned companies, which would make it beneficial for all the companies involved and their respective shareholders were explained as follows:

(a) SBCPL and SCL are both companies carrying on the business of making and holding investments in various specific lines of businesses carried on by the Shriram Group, and have both been incorporated with same/similar objects. The amalgamation of these two companies will achieve the purpose of simplifying the Group structure by amalgamating entities which are similar in their fields of operation and objectives, unlock value for their respective shareholders, and eliminate the need for multiple layers of entities with the same focus.

(b) The proposed demerger and vesting of the three undertakings, namely (i) Life Insurance Undertaking; (ii) General Insurance Undertaking, and (iii) Financial Services Undertaking, into SLIH, SGIH and SIHL respectively, from SCL, will enable the segregation of these lines of businesses each of which have independent requirements, strategies, focus and objectives. The demerger and vesting of these independent lines of businesses and undertakings into separate Resulting Companies, will enable those Companies to carry on each of the specialized lines of business with greater focus, tailors made strategies for operations and growth; enable the attribution of appropriate risk and valuation based on the risk-return profiles of each line of business; provide greater visibility to each of these lines of business, and enable them to attract investments.

(c) The merger of SCL with its remaining undertaking, with STFC, will achieve the combination of the remaining line of business activities [i.e. other than the Life Insurance, General Insurance and Financial Services] of SCL with STFC, which is a listed entity engaged in the business of financial lending. This will ensure that the companies forming part of the Group, which are focused on the business of lending are concentrated in a single large entity, which has the necessary means, presence and resources to achieve larger scale in the business of lending, while reducing the presence of multiple entities across the Group, with an interest and presence in the same line of business.

(d) The proposal in the Scheme to amalgamate SCUF with STFC, will also serve to be highly beneficial to all the stakeholders, by bringing together the capabilities and the presence of the Group in the categories of transport finance, and retail finance, and in the process create a larger financial lending entity with both these businesses combined, and the resulting benefits of scale and synergies of operation. This proposed merger will further consolidate the leadership position of STFC in the 'Commercial Vehicle' market. Following the proposed merger, and by virtue of SCUF's extensive understanding of credit culture, the amalgamated entity will be able to launch retail finance products in locations that SCUF has not been able to penetrate. The combination of the operations of these two entities with their own vast networks of customers, will uniquely position the Group to ensure that each line of business is expanded to its fullest potential on the strength of a larger, amalgamated entity. This process will help in consolidating the vast branch network of these two companies and is likely to provide a variety of retail lending under a single window with attendant saving of expenditure.

(e) All the Transferor Companies, the Resulting Companies and the Transferee Companies, are part of the same group. The Promoters of the Transferor Companies, the Resulting Companies and the Transferee Companies, are a common set of persons, and the demerger and amalgamation contemplated in the Scheme would only strengthen and reinforce the management of these Companies, while creating a dedicated leadership and management for each of the lines of business or verticals.

(f) Being companies forming part of the same group, the amalgamation and demerger contemplated in the Scheme, would create entities that are unique to each of the lines of business activities carried on by the Group, while also enabling consolidation and lead to a more efficient utilization of capital, and create a consolidated base for the future growth of the various entities.

The amalgamation envisaged in the Scheme will also enable appropriate consolidation of the activities of the Transferor Companies and the Transferee Companies with pooling and more efficient utilization of their resources, greater economies of scale, cost synergy, ease of regulatory compliances and improvement in various operating parameters, in addition to enabling the carrying on of each of the businesses in a more efficient, streamlined and organized fashion.

LISTING AND PROCEDURE

No shares are proposed to be issued by SBCPL pursuant to the Composite Scheme. Pursuant to the Composite Scheme SBCPL is not seeking listing of its shares on the Stock Exchanges. SBCPL will be amalgamated with SCL and then SCL will be amalgamated with STFC.

BUSINESS MODEL/BUSINESS OVERVIEW AND STRATEGY
Shrilekha Business Consultancy Private Limited was incorporated on the 9th day of January, 2017, in the state of Tamil Nadu under the Companies Act, 2013. The Corporate Identity Number of SBCPL is U74999TN2017PTC114086. The Company is engaged in the business of holding strategic long-term investments, evaluating new opportunities and sourcing funds to meet the funding requirement of such new opportunities and to offer consultancy and related services, and such other allied business activities. The registered office of SBCPL is situated at Shriram House, No.4, Burkit Road T Nagar, Chennai - 600017. As on date, it has investments in SCL and SFVPL and both the companies are involved in the Scheme.

INDICATIVE TIMELINE
This Disclosure Document should not be deemed to be an offer to the public. The Composite Scheme requires approval of the National Company Law Tribunal, Chennai ("**NCLT**") and no exact timeframe can be given as to when the Scheme will become effective. The Appointed Date is 01.04.2022 as per the Composite Scheme.

GENERAL RISKS
Specific attention of the readers is invited to the section titled "Scheme Details, Listing and Procedure" and "Indicative Timeline" above and "Internal Risk Factors" at pages 1, 3 & 7 of this Disclosure Document. The equity shares have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the Disclosure Document.

PRICE INFORMATION OF LEAD MANAGERS
NA

DETAILS OF STATUTORY AUDITOR OF THE COMPANY
K.S. Kalyanasundaram & Co., Chartered Accountants, Ph: 044 – 2452 4379 kskalyanam@gmail.com

BOARD OF DIRECTORS

Sr. No.	Name	Designation	Experience including current/~~past~~ position held in other firms	Other Directorships
1.	Mr. Ravi Devaki Venkataraman	Director	Mr. D. V. Ravi is a commerce graduate from the University of Bangalore and holds a Post Graduate Diploma in Management from the Institute of Rural Management, Anand (IRMA). Mr. D.V. Ravi has more than 3 decades of experience in strategic investment, information technology and corporate finance activities of the Shriram Group.	He holds directorships in the following other companies. Indian Companies: 9 1. Shriram Transport Finance Company Ltd., 2. Shriram Properties Holdings Pvt. Ltd., 3. Shriram Credit Company Ltd., 4. Shriram Financial Ventures (Chennai) Pvt. Ltd., 5. APA Engineering Pvt. Ltd., 6. R.K.P. Management Consultants Pvt. Ltd., 7. DRP Consultants Pvt. Ltd., 8. Shriram Capital Limited., 9. Take Sports Management Pvt. Ltd., Foreign Companies: Nil
2.	Mr. Srinivasan Natarajan	Director	Mr. S. Natarajan is a commerce graduate and is a Fellow member of the Institute of Chartered Accountants of India. Mr. S. Natarajan has over 40 years of experience in the field of corporate strategy, taxation and regulatory affairs. He had associated with various corporate group before joining Shriram Group.	He holds directorships in the following other companies. Indian Companies: 12 1. Binny Mills Ltd., 2. Shriram Properties Ltd., 3. Sipping Spirits Pvt. Ltd., 4. Shriram Properties Holdings Pvt. Ltd., 5. Sheetala Credit and Holdings Pvt. Ltd., 6. Rajat Chakra Credit and Holdings Pvt. Ltd., 7. Saranga Investments and Consultancy Pvt. Ltd., 8. Integrated Enterprises (India) Pvt. Ltd., 9. Shriram Financial Ventures (Chennai) Pvt. Ltd., 10. Shriram Seva Sankalp Foundation 11. Calcom Credit and Holdings Pvt. Ltd.,

Sr. No.	Name	Designation	Experience including current/~~past~~ position held in other firms	Other Directorships
				12. Satluj Credit and Holdings Pvt. Ltd., Foreign Companies: Nil
3.	Mr. Rupen Mukesh Jhaveri	Director	Mr. Rupen Jhaveri holds a B.S., magna cum laude, from Leonard N. Stern School of Business of New York University. Mr. Rupen Jhaveri has around two decades of experience across private equity and investment banking. He was the Managing Director of KKR India. He is presently the Group President at Piramal Enterprises Limited.	He holds directorships in the following other companies. Indian Companies: 4 1. India Realty Excellence Fund II LLP 2. Melany Advisors LLP 3. Ting Works LLP 4. Shriram Capital Limited., Foreign Companies: Nil

OBJECTS OF THE PROPOSED COMPOSITE SCHEME
The rationale for the Composite Scheme is set out under the heading '**SCHEME DETAILS, LISTING AND PROCEDURE'** at page no. 1 of this Disclosure Document.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilisation of issue proceeds of past public issues/rights issues, if any, of the Company in the preceding 10 years: Not Applicable

Name of monitoring agency, if any: Not Applicable

Terms of issuance of Convertible Security, if any: Not applicable

PRE AND POST-SCHEME SHAREHOLDING PATTERN

Sr. No.	Particulars	Number of equity shares prior to the scheme becoming effective	% of Holding prior to the scheme becoming effective	Number of equity shares post to the scheme becoming effective	% of Holding post to the scheme becoming effective
1	**Promoter and Promoter Group** Shriram Ownership Trust	2,08,00,000	25.05	-	-

2	**Others**				
	Piramal Enterprises Limited	6,22,34,605	74.95	-	-
	D V Ravi	45	0.00	-	-
	M Srividya	45	0.00	-	-
	K Jagadish	45	0.00	-	-
	N Mani	45	0.00	-	-
	R Shankar	45	0.00	-	-
	Total	**8,30,34,830**	**100.00**	**-**	**-**

Upon the Composite Scheme becoming effective, SBCPL, the Transferor Company 1, will merge into SCL, the Transferee Company 1 and then SCL will be merged with STFC. Issued capital of SBCPL will be cancelled.

FINANCIALS

A) Consolidated

Rs. in crores

Particulars	**As of and for the period ended Dec 31, 2021**	**FY 3**	**FY 2**	**FY 1**
	(Unaudited) (Limited Review)	**31st March 2021 (Audited)**	**31st March 2020 (Audited)**	**31st March 2019 (Audited)**
Total income from operations (Net)	10.85	1.36	25.95	1.39
Net Profit/(Loss) before tax and extraordinary items	10.00	1.31	25.89	1.34
Net Profit / (Loss) after tax and extraordinary items	10.06	0.95	25.91	0.65
Share of Profit of Associate	316.37	444.00	444.87	457.92
Profit for the period	326.43	444.95	470.78	458.57
Equity Share Capital	8.30	8.30	8.30	8.30
Reserves and Surplus	4,621.49	4,340.00	3,882.38	3,512.25
Net worth	4,629.79	4,348.30	3,890.68	3,520.55
Basic earnings per share (Rs.)	35.69	55.11	59.83	55.23
Diluted earnings per share (Rs.)	35.69	55.11	59.83	55.23
Return on net worth (%)	6.40%	10.52%	12.77%	12.91%
Net asset value per share (Rs.)	557.58	523.67	468.56	423.99

INTERNAL RISK FACTORS

i) The proposed Scheme is subject to the approval of NCLT, regulatory authorities and requisite approvals of Shareholders and creditors. If the proposed Scheme does not receive the requisite approvals, the objects and benefits mentioned in the proposed Scheme will not be achieved.
ii) The Company receives majority of its income from its investments from its subsidiaries and associates and any reduction in income from these entities will affect the profitability of the company.
iii) Company is a Core Investment Company registered with RBI. Any change in the regulatory requirement may affect the business of the Company.
iv) SCL is a public limited company and its equity shares are not listed on any stock exchange and hence not available for trading.
v) The impact of ongoing COVID-19 pandemic on the Company's business and operations is uncertain and cannot be predicted.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the company and amount involved: Nil

B. Brief details of top 5 material outstanding litigations against the company and amount involved : Nil

C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any (200 - 300 word limit in total): Nil

D. Brief details of outstanding criminal proceedings against Promoters (200 – 300 - word limit in total): Nil

ANY OTHER IMPORTANT INFORMATION AS PER COMPANY

NIL

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 1956, Companies Act, 2013 and the guidelines/ regulations issued by the Government of India or the guidelines/regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, have been complied with and no statement made in this Disclosure Document is contrary to the provisions of the Companies Act, 1956, Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as applicable. We hereby certify that all the statements in this Disclosure Document are true and correct.

For and on behalf of **SHRILEKHA BUSINESS CONSULTANCY PRIVATE LIMITED**

D V Ravi
Director
DIN: 00171603

Date: 26.05.2022
Place: Chennai

SAFFRON
energising ideas

Saffron Capital Advisors Private Limited
605, Sixth Floor, Centre Point, Andheri Kurla Road,
J. B. Nagar, Andheri (East), Mumbai - 400 059.
Tel.: +91 022 49730394
Email : info@saffronadvisor.com
Website: www.saffronadvisor.com
CIN No. U67120MH2007PTC166711

May 26, 2022

To

The Board of Directors

SHRILEKHA BUSINESS CONSULTANCY PRIVATE LIMITED

No.4, Shriram House Burkit Road, T. Nagar, Chennai-600017

Kind Attention: Mr. D V Ravi, Director

Dear Sir,

Sub: Certification of Abridged Prospectus pursuant to Securities Exchange Board of India Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, ("SEBI Circular") in the matter of proposed Composite Scheme involving (i) amalgamation of Shrilekha Business Consultancy Private Limited **("Transferor Company 1" or "SBCPL")** with Shriram Capital Limited **("Transferee Company 1" or "Demerged Company" or "Transferor Company 2" or "SCL")**; (ii) the demerger of that undertaking from SCL, which is carrying on the business of Financial Services, and the transfer and vesting thereof into Shriram Investment Holdings Limited **("Resulting Company 3" or "SIHL")** (iii) the demerger of those undertakings from SCL, which are carrying on the businesses of a) Life Insurance and b) General Insurance, and the transfer and vesting of the same into a) Shriram LI Holdings Private Limited **("Resulting Company 1" or "SLIH")**, and b) Shriram GI Holdings Private Limited **("Resulting Company 2" or "SGIH")** respectively; (iv) the amalgamation of SCL (with its remaining undertaking and investments) with Shriram Transport Finance Company Limited **("Company" or "STFC" or "Transferee Company 2")**; and (v) the amalgamation of Shriram City Union Finance Limited **("Transferor Company 3" or "SCUF")** with STFC. **In this context, Saffron is pleased to offer its services to the proposed transaction.**

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This is with reference to our engagement with Shrilekha Business Consultancy Private Limited ("**SBCPL**") for *interalia* certifying the accuracy and adequacy of the disclosures pertaining to SBCPL made in the abridged prospectus to be sent to the shareholders and creditors (both secured as well as unsecured) of Shriram Transport Finance Company Limited ("**STFC**") and Shriram City Union Finance Limited ("SCUF") pursuant to the Composite Scheme of Arrangement ("**Scheme**"). We have been provided with the abridged prospectus dated May 26, 2022 ("**Abridged Prospectus**") prepared by SBCPL. The Abridged Prospectus will be circulated to the members of STFC and SCUF at the time of seeking their approval to the Scheme as part of the explanatory statement to the shareholder's notice.

Based on the information, undertakings, certificates, confirmations and documents provided to us by SBCPL, we hereby confirm that the disclosures made in the Abridged Prospectus are true, fair and adequate to enable the investors to make a well informed decision as to the proposed Scheme and such disclosures are in accordance with the requirements of the Companies Act, 2013, SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable provisions / legal requirements.

SAFFRON CAPITAL ADVISORS PRIVATE LIMITED MUMBAI

SAFFRON
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The above confirmation is based on the information furnished and explanations provided to us by the management of SBCPL assuming the same is complete and accurate in all material aspects. We have relied upon financials, information and representations furnished to us on an as is basis and have not carried out an audit of such information. Our scope of work does not constitute an audit of financial information and accordingly we are unable to and do not express an opinion on the fairness of any such financial information referred to in the Abridged Prospectus. This certificate is based on the information as at May 26, 2022. This certificate is a specific purpose certificate issued in terms of the SEBI Circular and hence, it should not be used for any other purpose or transaction. The certificate is not, nor should it be construed to be, a certification of compliance of the Scheme with the provisions of the applicable Law including company, taxation and securities markets related laws or as regards to any legal implications or issues arising thereon, except for the purpose expressly mentioned herein.

We express no opinion whatsoever and make no recommendation at all as to STFC's and SCUF''s underlying decision to effect the Scheme or as to how the holders of equity shares are secured or how the equity shareholders of STFC and SCUF should vote at their respective meetings held in connection with the proposed Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Scheme or its success. We also express no opinion, and accordingly, accept no responsibility for or as to the financial performance of SBCP, STFC and SCUF following the consummation of the Scheme. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders/ investors should buy, sell or hold any stake in STFC and SCUF or any of its related parties (holding company/ subsidiaries/ associates etc.)

For Saffron Capital Advisors Private Limited

SAFFRON CAPITAL ADVISORS PRIVATE LIMITED MUMBAI

Gaurav Khandelwal
Vice President
Equity Capital Markets

The Scheme involves (i) amalgamation of Shrilekha Business Consultancy Private Limited ("Transferor Company 1" or "SBCPL") with Shriram Capital Limited ("Transferee Company 1" or "Demerged Company" or "Transferor Company 2" or "SCL") ; (ii) the demerger of that undertaking from SCL, which is carrying on the business of Financial Services, and the transfer and vesting thereof into Shriram Investment Holdings Limited ("Resulting Company 3" or "SIHL") (iii) the demerger of those undertakings from SCL, which are carrying on the businesses of a) Life Insurance and b) General Insurance, and the transfer and vesting of the same into a) Shriram LI Holdings Private Limited ("Resulting Company 1" or "SLIH"), and b) Shriram GI Holdings Private Limited ("Resulting Company 2" or "SGIH") respectively; (iv) the amalgamation of SCL (with its remaining undertaking and investments) with Shriram Transport Finance Company Limited ("Company" or "STFC" or "Transferee Company 2") ; and (v) the amalgamation of Shriram City Union Finance Limited ("Transferor Company 3" or "SCUF") with STFC.
THIS DISCLOSURE DOCUMENT CONTAINS 11 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.
NO EQUITY SHARES ARE PROPOSED TO BE OFFERED PURSUANT TO THIS DISCLSOURE DOCUMENT
You may download the Composite Scheme of Arrangement from the stock exchanges where the equity shares of Shriram Transport Finance Company Limited are listed i.e. www.nseindia.com; and www.bseindia.com ("**Stock Exchanges**").

(Capitalised terms not defined herein shall have the meanings ascribed to them under the Composite Scheme of Arrangement)

SHRIRAM CAPITAL LIMTED

Registered Office and Corporate Office:	No.4, Shriram House Burkit Road, T. Nagar, Chennai-600017	
Contact Person:	Mr. S. Senthilnathan, Vice President Finance and Company Secretary	**Telephone:** +91 44 4905 2500
E-mail: sect@shriram.com	**Website:** ww.shriramcapital.com	**CIN:** U65993TN1974PLC006588

PROMOTERS OF THE COMPANY

1. Shriram Financial Ventures (Chennai) Private ("**SFVPL**")

SFVPL was incorporated on the 28th day of February, 2011, in the state of Tamil Nadu under the Companies Act, 1956. The Corporate Identity Number of SFVPL is U67190TN2011PTC079382. SFVPL is engaged in the business of holding long term strategic investments. The registered office of SFVPL is situated at Shriram House, No.4, Burkit Road T Nagar, Chennai – 600017.

2. Shriram Ownership Trust ("**SOT**")

SOT is a private discretionary trust incorporated for the purpose of benefits of the senior employees of the Shriram Group.

Details of OFS, Price Band, Minimum Bid Lot & Indicative Timelines- Not Applicable.

SCHEME DETAILS, LISTING AND PROCEDURE

The Scheme involves (i) amalgamation of Shrilekha Business Consultancy Private Limited **("Transferor Company 1" or "SBCPL")** with Shriram Capital Limited **("Transferee Company 1" or "Demerged Company" or "Transferor Company 2" or "SCL")** ; (ii) the demerger of that undertaking from SCL, which is carrying on the business of Financial Services, and the transfer and vesting thereof into Shriram Investment Holdings Limited **("Resulting Company 3" or "SIHL")** (iii) the demerger of those undertakings from SCL, which are carrying on the businesses of a) Life Insurance and b) General Insurance, and the transfer and vesting of the same into a) Shriram LI Holdings Private Limited (**"Resulting Company 1" or "SLIH"**), and b) Shriram GI Holdings Private Limited (**"Resulting Company 2" or "SGIH"**) respectively; (iv) the amalgamation of SCL (with its remaining undertaking

and investments) with Shriram Transport Finance Company Limited (**"Company" or "STFC" or "Transferee Company 2"**) ; and (v) the amalgamation of Shriram City Union Finance Limited (**"Transferor Company 3" or "SCUF"**) with STFC.

The Scheme also involves, incidental and ancillary to the amalgamation and demerger set out in (i) to (v) above:

(a) The cancellation of the equity share capital of Shriram Financial Ventures (Chennai) Private Limited ("**SFVPL**") held by SBCPL as set out in Part III of the Scheme;
(b) The cancellation of the preference share capital (comprised of redeemable preference shares) of SCL held by the holders of redeemable preference shares of SCL and the issue of redeemable preference shares of SIHL to the said shareholders;
(c) The cancellation of the existing equity share capital held by SCL in SIHL, SLIH and SGIH;

and for matters consequential, supplemental, and/or otherwise integrally connected therewith.

The Appointed date for the Scheme is 01.04.2022.

Rationale

The reasons and rationale underlying the Scheme specific to each of the concerned companies, which would make it beneficial for all the companies involved and their respective shareholders were explained as follows:

(a) SBCPL and SCL are both companies carrying on the business of making and holding investments in various specific lines of businesses carried on by the Shriram Group, and have both been incorporated with same/similar objects. The amalgamation of these two companies will achieve the purpose of simplifying the Group structure by amalgamating entities which are similar in their fields of operation and objectives, unlock value for their respective shareholders, and eliminate the need for multiple layers of entities with the same focus.

(b) The proposed demerger and vesting of the three undertakings, namely (i) Life Insurance Undertaking; (ii) General Insurance Undertaking, and (iii) Financial Services Undertaking, into SLIH, SGIH and SIHL respectively, from SCL, will enable the segregation of these lines of businesses each of which have independent requirements, strategies, focus and objectives. The demerger and vesting of these independent lines of businesses and undertakings into separate Resulting Companies, will enable those Companies to carry on each of the specialized lines of business with greater focus, tailors made strategies for operations and growth; enable the attribution of appropriate risk and valuation based on the risk-return profiles of each line of business; provide greater visibility to each of these lines of business, and enable them to attract investments.

(c) The merger of SCL with its remaining undertaking, with STFC, will achieve the combination of the remaining line of business activities [i.e. other than the Life Insurance, General Insurance and Financial Services] of SCL with STFC, which is a listed entity engaged in the business of financial lending. This will ensure that the companies forming part of the Group, which are focused on the business of lending are concentrated in a single large entity, which has the necessary means, presence and resources to achieve larger scale in the business of lending, while reducing the presence of multiple entities across the Group, with an interest and presence in the same line of business.

(d) The proposal in the Scheme to amalgamate SCUF with STFC, will also serve to be highly beneficial to all the stakeholders, by bringing together the capabilities and the presence of the Group in the categories of transport finance, and retail finance, and in the process create a larger financial lending entity with both these businesses combined, and the resulting benefits of scale and synergies of operation. This proposed merger will further consolidate the leadership position of STFC in the 'Commercial Vehicle' market. Following the proposed merger, and by virtue of SCUF's extensive understanding of credit culture, the amalgamated entity will be able to launch retail finance products in locations that SCUF has not been

able to penetrate. The combination of the operations of these two entities with their own vast networks of customers, will uniquely position the Group to ensure that each line of business is expanded to its fullest potential on the strength of a larger, amalgamated entity. This process will help in consolidating the vast branch network of these two companies and is likely to provide a variety of retail lending under a single window with attendant saving of expenditure.

(e) All the Transferor Companies, the Resulting Companies and the Transferee Companies, are part of the same group. The Promoters of the Transferor Companies, the Resulting Companies and the Transferee Companies, are a common set of persons, and the demerger and amalgamation contemplated in the Scheme would only strengthen and reinforce the management of these Companies, while creating a dedicated leadership and management for each of the lines of business or verticals.

(f) Being companies forming part of the same group, the amalgamation and demerger contemplated in the Scheme, would create entities that are unique to each of the lines of business activities carried on by the Group, while also enabling consolidation and lead to a more efficient utilization of capital, and create a consolidated base for the future growth of the various entities.

The amalgamation envisaged in the Scheme will also enable appropriate consolidation of the activities of the Transferor Companies and the Transferee Companies with pooling and more efficient utilization of their resources, greater economies of scale, cost synergy, ease of regulatory compliances and improvement in various operating parameters, in addition to enabling the carrying on of each of the businesses in a more efficient, streamlined and organized fashion.

LISTING AND PROCEDURE

No shares are proposed to be issued by SCL except to the shareholders of SBCPL pursuant to the Composite Scheme. Pursuant to the Composite Scheme SCL is not seeking listing of its shares on the Stock Exchanges. SCL will be amalgamated with STFC.

BUSINESS MODEL/BUSINESS OVERVIEW AND STRATEGY

Shriram Capital Limited was incorporated on the 5th April 1974, in the state of Tamil Nadu under the Companies Act, 1956 under the name and style of 'Shriram Chits and Investments Private Limited'. The name of the Company was subsequently changed to 'Shriram Financial Services Holding Limited' and then subsequently to Shriram Capital Limited on the 12th day of March, 2008. The Corporate Identity Number of SCL is U65993TN1974PLC006588. SCL is in the business of investment promotion and registered as a Systemically Important Core Investment Company (CIC) with Reserve Bank of India having registration no. N-07-00791. It is the promoter of the companies under its fold and focuses on tailoring strategies suited to the businesses carried on by these companies, facilitates investments from outside in them and in itself, infuses required capital and nurtures them to grow into developed business entities. The registered office of SCL is situated at Shriram House, No.4, Burkit Road T Nagar, Chennai - 600017.

INDICATIVE TIMELINE

This Disclosure Document should not be deemed to be an offer to the public. The Composite Scheme requires approval of the National Company Law Tribunal, Chennai ("**NCLT**") and no exact timeframe can be given as to when the Scheme will become effective. The Appointed Date is 01.04.2022 as per the Composite Scheme.

GENERAL RISKS

Specific attention of the readers is invited to the section titled "Scheme Details, Listing and Procedure" and "Indicative Timeline" above and "Internal Risk Factors" at pages 1, 3 & 10 of this Disclosure Document. The equity shares have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the Disclosure Document.

PRICE INFORMATION OF LEAD MANAGERS
NA

DETAILS OF STATUTORY AUDITOR OF THE COMPANY
M/s. ASA & Associates LLP Chartered Accountants Email id- gn.rams@asa.in Ph: 044 4904 8200

BOARD OF DIRECTORS

Sr. No.	Name	Designation	Experience including current/~~past~~ position held in other firms	Other Directorships
1.	Dr. Kodumudi Pranatharthiharan Krishnan	Chairman	Dr. K. P. Krishnan was educated in Economics at St. Stephens College and Law at the Campus Law Centre University of Delhi. He joined the IAS in August 1983. He joined IIM Bangalore in 1999 and was awarded FPM (Ph.D) in Economics in the 2003 . Dr. K. P. Krishnan has more than 35 years of experience as a Civil Servant and professional in the field of Economics and Finance. He has worked in various departments of the Government of India including Ministry of Finance. Dr. K. P. Krishnan was closely involved with and initiated many of the deepest and most extensive reforms to market functioning, instruments and regulatory structure in the financial sector.	He holds directorships in the following other companies. Indian Companies: 2 1. TATA Consumer Products Ltd., 2. Dr. Reddy's Laboratories Ltd., Foreign Companies: Nil
2.	Mr. Ravi Devaki Venkataraman	Managing Director	Mr. D. V. Ravi is a commerce graduate from the University of Bangalore and holds a Post Graduate Diploma in Management from the Institute of Rural Management, Anand (IRMA). Mr. D.V. Ravi has more than 3 decades of experience in strategic investment, information technology and corporate finance activities of the Shriram Group.	He holds directorships in the following other companies. Indian Companies: 9 1. Shriram Transport Finance Company Ltd., 2. Shriram Properties Holdings Pvt. Ltd., 3. Shriram Credit Company Ltd., 4. Shriram Financial Ventures (Chennai) Pvt. Ltd., 5. APA Engineering Pvt. Ltd., 6. R.K.P. Management Consultants Pvt. Ltd., 7. DRP Consultants Pvt. Ltd.,

Sr. No.	Name	Designation	Experience including current/~~past~~ position held in other firms	Other Directorships
				8. Shrilekha Business Consultancy Pvt. Ltd., 9. Take Sports Management Pvt. Ltd., Foreign Companies: Nil
3.	Mr. Duruvasan Ramachandra	Whole time Director	Mr. R. Duruvasan is a commerce graduate and has been associated with the Shriram Group since the start of his career. He has more than 35 years of experience. He has held various positions in Shriram Chits, Shriram Life Insurance and Shriram City Union Finance.	He holds directorships in the following other companies. Indian Companies: 3 1. CES Ltd., 2. Shriram City Union Finance Ltd., 3. Shriram Life Insurance Company Ltd., Foreign Companies: Nil
4.	Mr. Lakshminarayanan	Independent Director	Mr. Lakshminarayanan has been conferred an Honorary Doctorate by the Anna University, Tamilnadu. Mr. Lakshminarayanan holds a Bachelor of Science Honors, a Master of Science degree and a Management degree from Bangalore University and the Indian Institute of Science, Bangalore. Mr. Lakshminarayanan is the Ex Vice Chairman and Co-founder of Cognizant. He has more than 30 years of experience in information technology industry.	He holds directorships in the following other companies. Indian Companies: 6 1. Grinntech Motors and Services Pvt. Ltd., 2. TVS Capital Funds Pvt. Ltd., 3. Institution for Capacity Building And Technology Academy 4. KSL Digital Ventures Ltd., 5. Chennai International Centre 6. Chennaiangels Network Association. Foreign Companies: Nil
5.	Mr. Thirumangalam Kuppuswamy Gowrishankar	Independent Director	Mr. T. K. Gowrishankar is a Graduate in Commerce and is a qualified Chartered Accountant. Mr. T. K. Gowrishankar, has more than four decades of experience in the field of corporate finance. He has held key management position in leading companies including leading MNCs of Malaysia and Middle East. He has worked with Wipro Limited and Allana Group.	He holds directorships in the following other company. Indian Companies: 1 1. IVP Ltd., Foreign Companies: Nil
6.	Ms. Akhila Srinivasan	Director	Dr. Akhila Srinivasan holds Ph.D. in Economics.	She holds directorships in the following other companies.

Sr. No.	Name	Designation	Experience including current/~~past~~ position held in other firms	Other Directorships
			Dr. Akhila Srinivasan has more than 30 years of experience and held various positions in NBFC and Life insurance business of the Shriram Group.	Indian Companies: 3 1. Shriram Properties and Constructions (Chennai) Ltd., 2. Shriram Life Insurance Company Ltd., 3. Shriram Seva Sankalp Foundation Foreign Companies: Nil
7.	Mr. Heinie Carl Werth	Nominee Director	Mr. Heinie Werth is a qualified Chartered Accountant (CA(SA)) and also holds a Hons B Accountancy, an MBA and an EDP (Manchester). Mr. Heinie Werth has more than 30 years of experience in accounting, finance, financial markets and investments, general business and risk management. He has held various positions in Sanlam Group South Africa and presently holding position as Chief Executive Officer of Sanlam Emerging Markets.	He holds directorships in the following other company. Indian Companies: Nil Foreign Companies: 3 Sanlam Limited (South Africa) Sanlam Emerging Markets Limited Sanlam Life Insurance Limited
8.	Mr. Jasmit Singh Gujral	Director	Mr. J. S. Gujral has done Executive Management Program from IIM Ahmedabad & Advanced Management Program from Kellogg Business School, Chicago & Indian School of Business, Hyderabad. Mr. J. S. Gujral has more than 30 years of experience in Financial Services, Insurance, Marketing and General Business Management. Presently he is Executive Vice Chairman of Shriram General Insurance.	He holds directorships in the following other companies. Indian Companies: 4 1. Yoldies LLP 2. Shriram Credit Company Ltd., 3. Shriram General Insurance Company Ltd., 4. Shriram Seva Sankalp Foundation Foreign Companies: 1 SGI Philippines General Insurance Co Inc.
9.	Mr. Puneet Bhatia	Nominee Director	Mr. Puneet Bhatia is a Commerce Graduate from the Shri Ram College of Commerce and holding a Post Graduate Diploma in Management from the Indian Institute of Management (IIM), Calcutta.	He holds directorships in the following other companies. Indian Companies: 9 1. Havells India Ltd., 2. Sai Life Sciences Ltd., 3. R R Kabel Ltd., 4. Jana Capital Ltd.,

Sr. No.	Name	Designation	Experience including current/~~past~~ position held in other firms	Other Directorships
			Mr. Puneet Bhatia has over 25 years of experience and handled various portfolio for TPG India. His areas of expertise include strategic investment, project finance, corporate finance etc. He is the Managing Director of TPG Capital India Private Limited.	5. TPG Capital India Pvt. Ltd., 6. Flare Estate Pvt. Ltd 7. SCCA Propertymart Pvt. Ltd., 8. Fractal Analytics Pvt. Ltd., 9. Manipal Health Enterprises Pvt. Ltd., Foreign Companies: 1 Union Bank of Colombo Plc
10.	Mr. Rupen Mukesh Jhaveri	Nominee Director	Mr. Rupen Jhaveri holds a B.S., magna cum laude, from Leonard N. Stern School of Business of New York University. Mr. Rupen Jhaveri has around two decades of experience across private equity and investment banking. He was the Managing Director of KKR India. He is presently the Group President at Piramal Enterprises Limited.	He holds directorships in the following other companies. Indian Companies: 4 1. India Realty Excellence Fund II LLP 2. Melany Advisors LLP 3. Ting Works LLP 4. Shrilekha Business Consultancy Pvt. Ltd., Foreign Companies: Nil
11.	Mr. Stephanus Phillipus Mostert	Nominee Director	Mr. Stephanus Phillipus Mostert graduated from the University of Stelienbosch, obtained a MBA from the same university. Mr. Stephanus Phillipus Mostert has more than 30 years of experience in Insurance industry. He has extensive experience in line management and delivering large transformation projects.	He holds directorships in the following other companies. Indian Companies: 3 1. Shriram General Insurance Company Ltd., 2. Shriram Life Insurance Company Ltd., 3. Shriram Financial Ventures (Chennai) Pvt. Ltd., Foreign Companies:1 LIA Assurex S.A.L.,
12.	Mr. Umesh Govind Revankar	Director	Mr. Umesh Revankar holds a bachelor's degree in Business Management from Mangalore University and MBA in Finance. He had attended Advance Management Program at Harvard Business School. Mr. Umesh Revankar has been with Shriram Group for more than 30 years and possesses extensive	He holds directorships in the following other companies. Indian Companies: 7 1. Shriram Transport Finance Company Ltd., 2. Shriram City Union Finance Ltd., 3. Shriram Automall India Ltd., 4. Shriram Credit Company Ltd.,

Sr. No.	Name	Designation	Experience including current/~~past~~ position held in other firms	Other Directorships
			experience in the financial services industry.	5. Shriram General Insurance Company Ltd., 6. Shriram Life Insurance Company Ltd., 7. Finance Industry Development Council Foreign Companies: Nil

OBJECTS OF THE PROPOSED COMPOSITE SCHEME
The rationale for the Composite Scheme is set out under the heading '**SCHEME DETAILS, LISTING AND PROCEDURE'** at page no. 1 of this Disclosure Document.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilisation of issue proceeds of past public issues/rights issues, if any, of the Company in the preceding 10 years: Not Applicable

Name of monitoring agency, if any: Not Applicable

Terms of issuance of Convertible Security, if any: Not applicable

PRE AND POST-SCHEME SHAREHOLDING PATTERN

Sr. No.	Particulars	Number of equity shares prior to the scheme becoming effective	% of Holding prior to the scheme becoming effective	Number of equity shares post to the scheme becoming effective	% of Holding post to the scheme becoming effective
1	**Promoter and Promoter Group**				
	Shriram Financial Ventures (Chennai) Private Limited	75,81,19,281	70.56	-	-
	Shriram Ownership Trust	250	-	-	-

2	**Others**				
	Shrilekha Bueiness Consultancy Private Limited	21,49,12,006	20.00	-	-
	Mr R Kannan	50	0	-	
	Mr S Natarajan	50	0	-	
	Mr D V Ravi	50	0	-	
	Mr G S Sundararajan	50	0	-	
	Mrs M Srividya	50	0	-	
	Tpg India Investmetns II Inc	10,13,80,344	9.44	-	
	Piramal Enterprises Limited	1000	0	-	
	Total	**1,07,44,13,131**	**100.00**	**-**	**-**

Upon the Composite Scheme becoming effective, SCL, the Transferor Company 2, will merge into STFC, the Transferee Company 2 and the issued capital of SCL will be cancelled.

FINANCIALS

A) Consolidated

Rs. in crores

Particulars	**As of and for the period ended Dec 31, 2021**	**FY 3**	**FY 2**	**FY 1**
	(Unaudited) (Limited Review)	**31st March 2021 (Audited)**	**31st March 2020 (Audited)**	**31st March 2019 (Audited)**
Total income from operations (Net)	4,793.65	6,722.87	5,923.87	5,406.63
Net Profit/(Loss) before tax and extraordinary items	810.30	1,241.03	1,211.05	1,328.61
Net Profit / (Loss) after tax and extraordinary items	500.29	890.69	874.11	872.08
Share of Profit of Associate	781.17	692.25	976.38	1006.13
Profit for the period	1,281.46	1,834.08	1,850.49	1,878.21
Equity Share Capital	107.44	107.44	107.44	107.44
Reserves and Surplus	16,131.31	15,254.70	13,566.37	12,336.44
Net worth	16,238.75	15,362.14	13,673.81	12,443.88
Basic earnings per share (Rs.)	10.56	15.49	15.52	15.85
Diluted earnings per share (Rs.)	10.56	15.49	15.52	15.85
Return on net worth (%)	6.98%	12.34%	14.48%	15.46%
Net asset value per share (Rs.)	151.14	142.98	127.27	115.82

INTERNAL RISK FACTORS
i) The proposed Scheme is subject to the approval of NCLT, regulatory authorities and requisite approvals of Shareholders and creditors. If the proposed Scheme does not receive the requisite approvals, the objects and benefits mentioned in the proposed Scheme will not be achieved. ii) The Company receives majority of its income from its investments from its subsidiaries and associates and any reduction in income from these entities will affect the profitability of the company. iii) Company is a Core Investment Company registered with RBI. Any change in the regulatory requirement may affect the business of the Company. iv) SCL is a public limited company and its equity shares are not listed on any stock exchange and hence not available for trading. v) The impact of ongoing COVID-19 pandemic on the Company's business and operations is uncertain and cannot be predicted.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the company and amount involved:

SCL is involved in a total of 23 litigations. Out of the same, based on the cases wherever the amount is quantifiable, the total amount involved is Rs.12.95 crore in aggregate.

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in crores)
Company						
By the Company	-	10	-	-	-	12.95
Against the Company	-	13	-	-	-	-
Directors						
By our Directors	-	-	-	-	-	-
Against the Directors	-	-	-	-	-	-
Promoters						
By Promoters	-	-	-	-	-	-
Against Promoters	-	-	-	-	-	-
Subsidiaries						

By Subsidiaries	1	5	-	-	60	54.16
Against Subsidiaries	45	54	5	1	628	147.5

B. Brief details of top 5 material outstanding litigations against the company and amount involved.

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved (Rs in crores)
1	Service Tax Dispute (from 2005-06 to 2010-11)	Company	Appeal pending before the CESAT	6.98
2	Income Tax Dispute for the AY 2018-19	Company	Appeal pending before CIT (Appeal)	5.97
	Total			12.95

C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any (200 - 300 word limit in total): **Nil**

D. Brief details of outstanding criminal proceedings against Promoters (200 – 300 - word limit in total): Nil

ANY OTHER IMPORTANT INFORMATION AS PER COMPANY

NIL

DECLARATION BY THE COMPANY

We hereby declare that all relevant provisions of the Companies Act, 1956, Companies Act, 2013 and the guidelines/ regulations issued by the Government of India or the guidelines/regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, have been complied with and no statement made in this Disclosure Document is contrary to the provisions of the Companies Act, 1956, Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as applicable. We hereby certify that all the statements in this Disclosure Document are true and correct.

For and on behalf of **SHRIRAM CAPITAL LIMTED**

D V Ravi
Managing Director

DIN: **00171603**

Date: 26.05.2022
Place: Chennai

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Saffron Capital Advisors Private Limited
605, Sixth Floor, Centre Point, Andheri Kurla Road,
J. B. Nagar, Andheri (East), Mumbai - 400 059.
Tel.: +91 022 49730394
Email : info@saffronadvisor.com
Website: www.saffronadvisor.com
CIN No. U67120MH2007PTC166711

May 26, 2022

To

The Board of Directors

SHRIRAM CAPITAL LIMTED

No.4, Shriram House Burkit Road, T. Nagar, Chennai-600017

Kind Attention: Mr. D V Ravi, Managing Director

Dear Sir,

Sub: Certification of Abridged Prospectus pursuant to Securities Exchange Board of India Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, ("SEBI Circular") in the matter of proposed Composite Scheme involving (i) amalgamation of Shrilekha Business Consultancy Private Limited **("Transferor Company 1" or "SBCPL")** with Shriram Capital Limited **("Transferee Company 1" or "Demerged Company" or "Transferor Company 2" or "SCL")** ; (ii) the demerger of that undertaking from SCL, which is carrying on the business of Financial Services, and the transfer and vesting thereof into Shriram Investment Holdings Limited **("Resulting Company 3" or "SIHL")** (iii) the demerger of those undertakings from SCL, which are carrying on the businesses of a) Life Insurance and b) General Insurance, and the transfer and vesting of the same into a) Shriram LI Holdings Private Limited (**"Resulting Company 1" or "SLIH"**), and b) Shriram GI Holdings Private Limited (**"Resulting Company 2" or "SGIH"**) respectively; (iv) the amalgamation of SCL (with its remaining undertaking and investments) with Shriram Transport Finance Company Limited (**"Company" or "STFC" or "Transferee Company 2"**) ; and (v) the amalgamation of Shriram City Union Finance Limited (**"Transferor Company 3" or "SCUF"**) with STFC. **In this context, Saffron is pleased to offer its services to the proposed transaction.**

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This is with reference to our engagement with Shriram Capital Limited (**"SCL"**) for *interalia* certifying the accuracy and adequacy of the disclosures pertaining to SCL made in the abridged prospectus to be sent to the shareholders and creditors (both secured as well as unsecured) of Shriram Transport Finance Company Limited (**"STFC"**) and Shriram City Union Finance Limited (**"SCUF"**) pursuant to the Composite Scheme of Arrangement (**"Scheme"**). We have been provided with the abridged prospectus dated May 26, 2022 (**"Abridged Prospectus"**) prepared by SCL. The Abridged Prospectus will be circulated to the members of STFC and SCUF at the time of seeking their approval to the Scheme as part of the explanatory statement to the shareholder's notice.

Based on the information, undertakings, certificates, confirmations and documents provided to us by SCL, we hereby confirm that the disclosures made in the Abridged Prospectus are true, fair and adequate to enable the investors to make a well informed decision as to the proposed Scheme and such disclosures are in accordance with the requirements of the Companies Act, 2013, SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable provisions / legal requirements.

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The above confirmation is based on the information furnished and explanations provided to us by the management of SCL assuming the same is complete and accurate in all material aspects. We have relied upon financials, information and representations furnished to us on an as is basis and have not carried out an audit of such information. Our scope of work does not constitute an audit of financial information and accordingly we are unable to and do not express an opinion on the fairness of any such financial information referred to in the Abridged Prospectus. This certificate is based on the information as at May 26, 2022. This certificate is a specific purpose certificate issued in terms of the SEBI Circular and hence, it should not be used for any other purpose or transaction. The certificate is not, nor should it be construed to be, a certification of compliance of the Scheme with the provisions of the applicable Law including company, taxation and securities markets related laws or as regards to any legal implications or issues arising thereon, except for the purpose expressly mentioned herein.

We express no opinion whatsoever and make no recommendation at all as to STFC's and SCUF's underlying decision to effect the Scheme or as to how the holders of equity shares are secured or how the equity shareholders of STFC and SCUF should vote at their respective meetings held in connection with the proposed Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Scheme or its success. We also express no opinion, and accordingly, accept no responsibility for or as to the financial performance of SCL, STFC and SCUF following the consummation of the Scheme. We express no opinion whatsoever and make no recommendations at all (and accordingly take no responsibility) as to whether shareholders/ investors should buy, sell or hold any stake in STFC and SCUF or any of its related parties (holding company/ subsidiaries/ associates etc.)

For Saffron Capital Advisors Private Limited

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Gaurav Khandelwal
Vice President
Equity Capital Markets