



Ref : CIL/STEX/2018-19/15

Date : March 02, 2019

To
The Manager- Listing -Compliance Department
National Stock Exchange of India Limited
Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (East)
Mumbai-400 051

Scrip Symbol: CAPACITE

Dear Sir/ Madam,

Sub: Proposed Scheme of Amalgamation amongst CIPL-PPSL-Yongnam Joint Venture Constructions Private Limited, Capacit'e Infraprojects Limited and their respective shareholders

With reference to the subject matter, we refer to our communication to the exchange dated November 3, 2018 regarding approval of the Scheme of Amalgamation of CIPL- PPSL -Yongnam Joint Venture Constructions Private Limited (Transferor / Wholly owned Subsidiary Company) with Capacit'e Infraprojects Limited (Transferee/ Listed Holding Company) and their respective shareholders.

Pursuant to Regulation 37 (6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the resolution passed by the Board of Directors approving the said Scheme during their meeting held on November 3, 2018 along with the proposed Scheme of Amalgamation as mentioned above for the purpose of disclosures.

We request you to take the same on record and oblige.

Thanking you
Yours Faithfully

For Capacit'e Infraprojects Limited

Sai Kedar Katkar
Company Secretary & Compliance Officer



Encl. As above

Mumbai (Head Office) :

605-607, Shrikant Chambers, Phase-I, 6th Floor, Adjacent to R. K. Studios, Sion-Trombay Road, Chembur,
Mumbai- 400071. Maharashtra, India Tel: 022 7173 3717 • Fax.: 022 7173 3733 • Email: info@capacite.in



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE 37TH MEETING OF THE BOARD OF DIRECTORS OF CAPACIT'E INFRAPROJECTS LIMITED HELD ON SATURDAY, NOVEMBER 03, 2018 AT REGISTERED OFFICE OF THE COMPANY, AT 605-607, SHRIKANT CHAMBERS, PHASE-I, 6TH FLOOR, ADJACENT TO R. K. STUDIOS, SION-TROMBAY ROAD, MUMBAI- 400 071.

To consider draft and approve Scheme of Amalgamation amongst the Company (transferee), CIPL-PPSL-Yongnam Joint Venture Constructions Private Limited (transferor) wholly-owned subsidiary of the Company, respective shareholders and creditors:

Mr. Rohit Katyal informed the Board that the Company is considering the Scheme of Amalgamation of CIPL-PPSL-Yongnam Joint Venture Constructions Private Limited (Transferor Company) with Capacit'e Infraprojects Limited (Transferee Company) which is a Holding Company of Transferor Company.

He briefed the rationale of the Scheme stating that the Transferee Company has incorporated a Special Purpose Vehicle (SPV) named as CIPL-PPSL-Yongnam Joint Venture Constructions Private Limited (Transferor Company) for exclusive construction of the projects "One Altamount" at Mumbai. The said project is substantially completed. Being Holding company, Company intends to utilize the technical qualification of this project for prospective biddings for various projects as substantial technical, execution, operational matters are carried out by the Holding company. The Transferee Company also intends to acquire assets, especially construction equipments held / owned by Transferor Company and to use its resources more effectively at various other sites once the above mentioned project is completed.

The Board discussed the matter and passed the following resolutions unanimously:

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with the relevant Rules of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the National Company Law Tribunal Rules, 2016, including any statutory modification(s) or re-enactment or amendment thereof to the extent notified and in effect and the enabling provisions of the Memorandum of Association and Articles of Association of the Company and subject to requisite approvals, consents, sanctions of the National Company Law Tribunal (NCLT) and / or such other appropriate authority, as may be applicable, the approval of the Board of Directors of the Company ('Board') be and is hereby accorded to the draft Scheme of Amalgamation of CIPL-PPSL-Yongnam Joint Venture Constructions Private Limited ('CIPL-PPSL' or 'the Transferor Company') with Capacit'e Infraprojects Limited ("CIL" or "the Company") ('the Scheme' or 'this Scheme') as per the draft Scheme of Amalgamation circulated herewith."

"RESOLVED FURTHER THAT as the entire issued, subscribed and paid-up share capital of CIPL-PPSL is directly or indirectly held by Capacit'e Infraprojects Limited, no shares shall be issued by Capacit'e Infraprojects Limited to the shareholders of CIPL-PPSL, and the shares of CIPL-PPSL-Yongnam Joint Venture Constructions Private Limited held by the Transferee Company shall stand cancelled and extinguished pursuant to the said Scheme becoming effective."

"RESOLVED FURTHER THAT the report explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders laying out in particular the share exchange ratio under the provisions of Section 232(2)(c) of the Companies Act, 2013, be and is hereby adopted and taken on record."



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"RESOLVED FURTHER THAT Mr. Rahul R. Katyal, Managing Director; Mr. Rohit R. Katyal, Executive Director & CFO; Ms. Sai Kedar Katkar, Company Secretary of the Company (hereinafter "Authorised Signatories") be and are hereby individually and severally authorized to implement, review and monitor the regulatory procedures and process connected with the implementation of the scheme and to deal with all matters connected, consequential and incidental to obtain sanction, implementation and execution of the scheme and in particular take all the necessary steps including:

1. To file the scheme and/ or any other information/ details with the concerned Stock Exchanges, Securities and Exchange Board of India ('SEBI') or any other body or regulatory authority or agency in order to obtain approval or sanction of the Scheme or for giving effect thereto;
2. To file the application(s) with National Company Law Tribunal ('NCLT') or such other appropriate Authority seeking directions as to convening / dispensing with the requirement of the meeting of the Shareholders and / or meetings as per the directions of the NCLT or such other appropriate Authority to give effect to the Scheme;
3. To prepare, sign and file affidavits, petitions, pleadings, applications or other documents incidental or necessary in connection with the above proceedings and to engage counsels, advocates, solicitors, pleaders, Chartered Accountant/s, Company Secretary and other professionals to sign and execute Vakalatnama whenever necessary and sign and issue public advertisements and notices;
4. Obtaining approval from such other authorities and parties including the Shareholders, lenders, financial institution, creditors as may be considered necessary, to the said scheme;
5. To settle any question or difficulty that may arise with regards to the implementation of the Scheme and to give effect to the above resolution;
6. To make alteration/s, amendment/s to the scheme as may be expedient or necessary which does not materially change the substance of the Scheme;
7. To delegate authority to another person(s) by a valid Power of Attorney;
8. To do all acts, deeds, matters and things as may be considered necessary and expedient in relation thereto.
9. Incur such expenses as may be necessary with regard to the Scheme, including payment of fees to solicitors, advocates, attorneys, pleaders, advisors, valuers, auditors, accountants, registrars and other agencies and such other expenses that may be incidental to the above, as may be decided by them.

"RESOLVED FURTHER THAT the "Authorised Signatories" be and are hereby severally authorized to do all further acts, deeds, matters and things and to take all steps necessary, incidental and expedient or proper, for and on behalf of the Company, with respect to the above applications or petitions, implementation of this resolution, the Scheme or the orders passed thereon and also to take all other decisions as they may, in their absolute discretion, deem appropriate and to deal with all questions or difficulties that may arise in the course of implementing this resolution, the Scheme or the orders passed thereon."

"RESOLVED FURTHER THAT this resolution shall remain in full force and effect until otherwise amended or rescinded by the Board of Directors.



"RESOLVED FURTHER THAT a copy of this resolution duly certified as true by any of the Executive Director or Company Secretary of the Company be furnished to the concerned persons and/ or authorities as may be necessary."

**CERTIFIED TRUE COPY
FOR CAPACIT'E INFRAPROJECTS LIMITED**



**Sai Kedar Katkar
Company Secretary
Memb. No. ACS-25463**



**Place : Mumbai
Date : 03.11.2018**

SCHEME OF AMALGAMATION
OF
CIPL- PPSL- YONGNAM JOINT VENTURE CONSTRUCTIONS PRIVATE
LIMITED
(The Transferor Company)
WITH
CAPACIT'E INFRAPROJECTS LIMITED
(The Transferee Company)
AND
THEIR RESPECTIVE SHAREHOLDERS

1. PREAMBLE

This Scheme of Amalgamation is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 & the Rules framed thereunder including any statutory modifications or re-enactments thereof, if any, for the amalgamation of CIPL–PPSL- Yongnam Joint Venture Constructions Private Limited (hereinafter referred to as “The Transferor Company”) into Capacit'e Infraprojects Limited (hereinafter referred to as “The Transferee Company”) and in compliance with the conditions relating to “Amalgamation” as specified u/s 2(1B) of the Income Tax Act, 1961 and the same is divided into the following parts:

Part A - deals with Definitions and Share Capital of the Transferor and Transferee Company;

Part B - deals with Amalgamation of CIPL–PPSL- Yongnam Joint Venture Constructions Private Limited and Capacit'e Infraprojects Limited;



Part C – deals with General Clauses, Terms and Conditions that will be applicable to Part B of the Scheme.

RATIONALE FOR THE SCHEME OF AMALGAMATION

1.1 The Transferor company was incorporated as and is a Special Purpose Vehicle (SPV) formed to carry out designing, construction and development of the project “One Altamount” at Altamount Road, Worli at Mumbai vide Letter of Intent having reference FCPPL/CIVIL/LOA-02/2013-14 dated April 10, 2013 received from Futuretech Constructions and Precast Private Limited; with the main and only object forming part of the Memorandum of Association of the transferor company which is read as follows:

“To act as special purpose project specific Company to carry on business of design, construction and development of a housing project known as “One Altamount Road, Mumbai” in the state of Maharashtra and to carry out business of design and detailed engineering works, all types of civil works, Structural steel component works, erection and supervision works”

1.2 The transferor company has carried out the designing, construction and development of the project “One Altamount Road” at Mumbai and has obtained substantial completion certificate from Client dated 15th June 2018 and thus the main object / purpose for which the said SPV was formed stands substantially completed / served.

1.3 It would be advantageous to combine the activities and operations of both the Companies into a single Company for leveraging financial and operational resources including technical qualification of completion of the project “One Altamount Road” at Mumbai in prospective bidding for various projects and reflecting stronger financial position and for the benefit of lesser compliance issues as the Companies are in similar businesses.

1.4 With a view to maintain a simple corporate structure and eliminate duplicate corporate procedures it is desirable to merge and amalgamate all the undertakings of Transferor Company with Transferee Company. The amalgamation of all undertaking of Transferor Company into the Transferee Company shall facilitate consolidation of all the undertakings in order to



enable effective management and unified control of operations. This would enable streamlining the activities and consequently reducing managerial overlaps by reducing the number of companies under the same Management and thus lead to reduction in administration efforts.

- 1.5 Further, the amalgamation would create economies in administrative and managerial costs by consolidating operations and would substantially reduce duplication of administrative responsibilities and multiplicity of records and legal and regulatory compliances. The Scheme of amalgamation will result in cost saving for both the Companies and is expected to result in administrative efficiency and higher profitability levels for the Transferee Company.

PART A – DEFINITIONS AND SHARE CAPITAL

2. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

- 2.1 CIPL- PPSL- YONGNAM JOINT VENTURE CONSTRUCTIONS PRIVATE LIMITED, means a company incorporated under the Companies Act, 1956, and having its Registered Office situated at 602-607, 6th Floor, Shrikant Chambers, Adjacent to R K Studios, Sion- Trombay Road, Chembur, Mumbai- 400 071.
- 2.2 CAPACITE INFRAPROJECTS LIMITED, means a company incorporated under the Companies Act, 1956, and having its Registered Office situated at 605-607, Shrikant Chambers, 6th Floor, Phase- I, Adjacent to R K Studios, Sion- Trombay Road, Mumbai- 400 071.
- 2.3 The Transferor Company is a wholly owned subsidiary of the Transferee Company. The Transferee Company's equity shares are listed on BSE Limited and National Stock Exchange of India Limited.
- 2.4 "Act" means the applicable provisions of the Companies Act, 2013 and the Rules framed thereunder in force from time to time.



- 2.5 “The Appointed Date” means 01st April, 2018 or such other date as the National Company Law Tribunal (Tribunal) or other competent authority may otherwise direct/ fix.
- 2.6 “The Effective Date” or “Coming into effect of this Scheme” means the date on which certified copies of the Order(s) of the National Company Law Tribunal (Tribunal) vesting the assets, properties, liabilities, rights, duties, obligations and the like of all the Transferor Company in the Transferee Company are filed with the Registrar of Companies, Mumbai Maharashtra, after obtaining the necessary consents, approvals, permissions, resolutions, agreements, sanctions and orders in this regard.
- 2.7 “Tribunal” shall for the purpose of this Scheme, means the National Company Law Tribunal (Tribunal), Mumbai Bench exercising jurisdiction under Sections 230 to 232 of the Act and the expression shall include the powers vested in the National Company Law Tribunal including Bench constituted under the provisions of the Act as applicable to the Scheme.
- 2.8 “Undertaking” shall mean and include:
- (a) All the assets and properties and the entire business of the Transferor Company as on the Appointed Date (hereinafter referred to as “the said assets”),
 - (b) All the debts, liabilities, contingent liabilities, duties, obligations and guarantees of the Transferor Company as on the Appointed Date (hereinafter referred to as “the said liabilities”),
 - (c) Without prejudice to the generality of sub-clause (a) above, the Undertaking of the Transferor Company shall include the Transferor Company reserves, movable and the immovable properties, all other assets including investments in shares, debentures, bonds and other securities, claims, loans and advances, deposits, ownership rights, lease-hold rights, tenancy rights, occupancy rights, hire purchase contracts, leased assets, lending contracts, revisions, powers, permits, authorities, licenses, consents, approvals, municipal permissions, industrial and other licenses, permits, authorisations, quota rights, registrations, import/ export licenses, bids, tenders, letter of intent,



connections for water, electricity and drainage, sanctions, consents, product registrations, quota rights, allotments, approvals, freehold land, buildings, factory buildings, plant & machinery, electrical installations and equipments, furniture and fittings, laboratory equipments, office equipments, effluent treatment plants, tube wells, software packages, vehicles and contracts, engagements, titles, interest, benefits, allocations, exemptions, concessions, remissions, subsidies, tax deferrals, tenancy rights, trademarks, brand names, patents and other industrial and intellectual properties, import quotas, telephones, telex, facsimile, websites, e-mail connections, networking facilities and other communication facilities and equipments, investments, rights and benefits of all agreements and all other interests, rights and power of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals and all necessary records, files, papers, process information, data catalogues and all books of accounts, documents and records relating thereof.

- (d) Without prejudice to the generality of the above, all benefits including under Income Tax, Excise (including Cenvat), Sales Tax (including deferment of sales tax), Goods and Services Tax (GST) etc., to which the Transferor Company is entitled to in terms of the applicable Tax Laws of the Union and State Governments.

2.9 “The Scheme” means this Scheme of Amalgamation in its present form or with any modification(s) approved or imposed or directed by the National Company Law Tribunal (Tribunal).

3. SHARE CAPITAL

3.1 The Authorised, issued, subscribed and paid up Share Capital of the Transferor Company as at 31st March, 2018 is as under :-

Particulars	Amount in (Rs.)
Authorised Capital	
1,00,000 Equity Shares of Rs.10/- each.	10,00,000



Total	10,00,000
Issued, Subscribed and Paid-up	
95,000 Equity Shares of Rs. 10/- each fully paid-up.	9,50,000
Total	9,50,000

There is no change in the Share Capital of the Transferor Company till date.

3.2 The Authorised, issued, subscribed and paid up Share Capital of the Transferee Company as at 31st March, 2018 is as under :-

Particulars	Amount in (Rs.)
Authorised Capital	
7,66,50,000 Equity Shares of Rs.10/- each.	76,65,00,000
16,75,000 Compulsory Convertible Preferential Shares having face value of Rs.20 each.	3,35,00,000
Total	80,00,00,000
Issued, Subscribed and Paid-up	
6,78,91,497 Equity Shares of Rs. 10/- each fully paid-up.	67,89,14,970
Total	67,89,14,970

There is no change in the Share Capital of the Transferee Company till date.

PART-B – AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

4. TRANSFER AND VESTING OF UNDERTAKING

4.1 Upon the coming into effect of this Scheme and with effect from the opening of the business as on the Appointed Date (i.e. 01st April, 2018) and subject to the provisions of this Scheme, the entire Undertaking of the Transferor



Company including their assets and liabilities as on the Appointed Date, shall pursuant to the applicable provisions of the Act, without any further act, instrument or deed, be and shall stand transferred to and vested in and/or deemed to have been transferred to and vested in the Transferee Company as a going concern subject, however, to all charges, liens, mortgages, if any, then affecting the same or any part thereof.

PROVIDED ALWAYS that the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Company and which shall vest in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be obliged to create any further or additional security after the amalgamation has become effective or otherwise unless specifically provided hereinafter.

- 4.2 The entire business of the Transferor Company as a going concern and all the properties whether movable or immovable, real or personal, corporeal or incorporeal, present or contingent including but without being limited to all assets, authorized capital, fixed assets, capital work-in-progress, current assets and debtors, investments, rights, claims and powers, authorities, allotments, approvals and consents, reserves, provisions, permits, ownerships rights, lease, tenancy rights, occupancy rights, incentives, claims, rehabilitation schemes, funds, quota rights, import quotas, licenses, registrations, contracts, engagements, arrangements, brands, logos, patents, trade names, trade marks, copy rights, all other intellectual property rights, other intangibles of the Transferor Company whether registered or unregistered or any variation thereof as a part of its name or in a style of business otherwise, other industrial rights and licenses in respect thereof, lease, tenancy rights, flats, telephones, telexes, facsimile connections, e-mail connections, internet connections, websites, installations and utilities, benefits of agreements and arrangements, powers, authorities, permits, allotments, approvals, permissions, sanctions, consents, privileges, liberties, easements, other assets, special status and other benefits that have accrued or which may accrue to the Transferor Company on and from the Appointed Date and prior to the Effective Date in connection with or in relation to the operation of the undertaking and all the rights, titles, interests, benefits, facilities and advantages of whatsoever nature and where ever situated belonging to or in



the possession of or granted in favour of or enjoyed by the Transferor Company as on the Appointed Date and prior to the Effective Date shall, pursuant to the applicable provisions of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or deemed to be transferred to and vested in the Transferee Company.

- a. With effect from the Appointed Date, all the equity shares, debentures, bonds, notes or other securities held by the Transferor Company, whether convertible into equity or not and whether quoted or not shall, without any further act or deed, be and stand transferred to the Transferee Company as also all the movable assets including cash in hand, if any, of the Transferor Company shall be capable of passing by manual delivery or by endorsement and delivery, as the case may be, to the Transferee Company to the end and intent that the property therein passes to the Transferee Company on such manual delivery or by endorsement and delivery.
- b. In respect of movable properties of the Transferor Company other than specified in Clause 4.2 (a) above, including sundry debtors, outstanding loans and advances, if any recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi government, local and other authorities and bodies, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, give notice in such form as it may deem fit and proper to each person, debtor or depositor, as the case may be, that pursuant to the National Company Law Tribunal (Tribunal) having sanctioned the Scheme, the said debts, loans, advances or deposits be paid or made good or held on account of the Transferee Company as the person entitled thereto to the end and intent that the right of the Transferor Company to recover or realize all such debts, deposits and advances (including the debts payable by such persons, debtor or deposit to the Transferor Company) stands transferred and assigned to the Transferee



Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.

- 4.3 With effect from the Appointed Date, all the debts, unsecured debts, liabilities, duties and obligations of every kind, nature and description of the Transferor Company shall also under the applicable provisions of the Act, without any further act or deed be transferred to or be deemed to be transferred to the Transferee Company so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to the contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this clause.
- 4.4 It is clarified that all debts, loans and liabilities, duties and obligations of the Transferor Company as on the Appointed Date and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or upto the day of the Appointed Date shall be the debts, loans and liabilities, duties and obligations of the Transferee Company including any encumbrance on the assets of the Transferor Company or on any income earned from those assets.
- 4.5 It is further specifically clarified, admitted, assured and declared by the Transferee Company that on this Scheme becoming effective, it will take over, absorb and pay and discharge on due dates all the liabilities including liabilities for income tax, wealth tax, central sales tax, value-added tax, service tax, Goods and Services Tax (GST), excise duty, custom duty, fringe benefit tax, dividend distribution tax, if any, of the Transferor Company.
- 4.6 With effect from the Appointed Date all debts, liabilities, dues, duties and obligations including all income tax, wealth tax, central sales tax, value added tax, service tax, excise duty, custom duty, fringe benefit tax, dividend distribution tax, Good and Service Tax (GST) and other Government and Semi-Government and Statutory liabilities of the Transferor Company shall pursuant to the applicable provisions of the Act and without any further act or deed be also transferred or be deemed to be transferred to and vest in and be



assumed by the Transferee Company so as to become as from the Appointed Date the debts, liabilities, duties and obligations of Transferee Company on the same terms and conditions as were applicable to the respective Transferor Company.

- 4.7 This Part of the Scheme has been drawn up to comply with the conditions relating to “Amalgamation” as specified under Section 2(1B) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income Tax Act, 1961 at a later date, the provisions of the said Section of the Income Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act, 1961. Such modification will however not affect the other parts of the Scheme.

5. CONTRACTS, BONDS AND OTHER INSTRUMENTS

Without any further acts or deeds, upon the coming into effect of this Scheme and subject to other provisions contained in the Scheme, all contracts, bonds, lease deeds, debentures, indentures and other instruments to which the Transferor Company is a party subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced as fully and as effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

6. LEGAL PROCEEDINGS

If any, suit, writ petition, appeal, revision or other proceedings (hereinafter called “the Proceedings”) by or against the Transferor Company are pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking of the Transferor Company or of anything contained in the Scheme, but all such Proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made. On and from the Effective



Date, the Transferee Company shall and may initiate any legal proceedings for and on behalf of the Transferor Company.

7. OPERATIVE DATE OF THE SCHEME

The Scheme set out herein in its present form with or without any modifications(s) approved or imposed or directed by the National Company Law Tribunal (Tribunal) or made as per Clause 16 of the Scheme though effective from the Appointed Date shall be operative from the Effective Date.

8. TRANSFEROR COMPANY STAFF, WORKMEN AND EMPLOYEES

All the staff, workmen and other employees in the service of the Transferor Company immediately before the transfer of the Undertaking under the Scheme shall become the staff, workmen and employees of the Transferee Company on the basis that :

- 8.1 Their respective services shall have been continuous and shall not have been interrupted by reason of the transfer of the Undertaking of the Transferor Company;
- 8.2 The terms and conditions of service applicable to the said staff, workmen or employees after such transfer shall not in any way be less favorable to them than those applicable to them immediately before the transfer; and
- 8.3 It is provided that as far as Provident Fund, Gratuity Fund, Superannuation Fund or other special fund, if any, created or existing for the benefit of the staff, workmen and other employees of the Transferor Company are concerned, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever related to the administration or operation of such funds or in relation to the obligation to make contributions to the said Funds in accordance with the provisions of such Funds as per the terms provided in the respective trust deeds. It is the aim and intent of the Scheme herein that all the rights, duties, powers and obligations of the Transferor Company in relation to such funds shall become those of the Transferee Company and all the rights, duties and benefits of the employees employed in different units of the



Transferor Company under such Funds and Trusts shall remain fully protected.

9. CONDUCT OF BUSINESS BY THE TRANSFEROR COMPANY TILL EFFECTIVE DATE

With effect from the Appointed Date and upto the Effective Date, the Transferor Company:

- 9.1 shall carry on and shall be deemed to be carrying on all its respective business activities and shall stand possessed of its respective properties and assets for and on account of and in trust for the Transferee Company and all the profits or income accruing or arising to the Transferor Company and/or any cost, charges, expenditure or losses arising or incurred by it shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or cost, charges, expenditure or losses of the Transferee Company;
- 9.2 shall in the ordinary course of its respective business activities, assign, transfer or sell or exchange or dispose of or deal with all or any part of the rights vested with or title and interest in the property, assets, immovable or movable properties including assignment, alienation, charge, mortgage, encumbrance or otherwise deal with the rights, title and interest in the actionable claims, debtors and other assets etc., with the consent of the Transferee Company and such acts or actions would be deemed to have been carried on by the Transferor Company for and behalf of the Transferee Company and such acts or actions would be enforceable against or in favour of the Transferee Company and all the profits or incomes or losses or expenditure accruing or arising or incurred by the Transferor Company shall, for all purposes, be treated as the profits or incomes or expenditure or losses of the Transferee Company;
- 9.3 hereby undertakes to carry on its respective businesses until the Effective Date with reasonable diligence, utmost prudence and shall not, without the written consent of the Transferee Company, alienate, charge or otherwise deal with the said Undertaking or any part thereof except in the ordinary course of the Transferor Company business;



- 9.4 shall not, without the written consent of the Transferee Company, undertake any new business.
- 9.5 shall not vary the terms and conditions of the employment of their employees except in the ordinary course of business.
- 9.6 pay all statutory dues relating to the respective Undertaking for and on account of the Transferee Company.

10. ISSUE OF SHARES BY THE TRANSFEE COMPANY

Since the entire equity share capital of the Transferor Company is held by The Transferee Company, upon amalgamation, the Transferee Company would not be required to issue and allot any shares to the shareholders of the Transferor Company. The Shares so held by the Transferee Company shall stand cancelled and extinguished pursuant to the implementation of the Scheme of Amalgamation.

11. PROFITS, DIVIDENDS, BONUS / RIGHTS SHARES

- 11.1 With effect from the Appointed Date, the Transferor Company shall not without the prior written consent of the Transferee Company, utilize the profits, if any, for declaring or paying of any dividend to its shareholders and shall also not utilize, adjust or claim adjustment of profits/ reserves, as the case may be earned/ incurred or suffered after the Appointed Date.
- 11.2 The Transferor Company shall not after the Appointed Date, issue or allot any further securities, by way of rights or bonus or otherwise without the prior written consent of the Board of Directors of the Transferee Company.

12. ACCOUNTING TREATMENT:

- 12.1 Notwithstanding anything to the contrary contained in any other clause in the Scheme, the Transferee Company shall give effect to the amalgamation in its books of account in accordance with Appendix C of Ind AS 103 Business combination and other accounting principles prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) and on the date determined in accordance with Ind AS.



- 12.2 Upon the Scheme coming into effect, all the assets and liabilities of the Transferor Company shall be transferred to and vested in the Transferee Company and shall be recorded at their respective book values. No adjustment shall be made to the carrying amounts of asset and liabilities as reflected in the books of Transferor Company, to reflect fair values or recognize any new assets and liabilities including any new deferred tax assets or liabilities. All reserves of the Transferor Company are deemed to be carried forward and shall be recorded in the books of the Transferee Company in the same form in which they appeared in the books of the Transferor Company. The carrying amount of the Transferee Company of its investment in the shares of the Transferor Company, which shall stand cancelled in terms of this scheme, and the aggregate face value of such shares shall, subject to other provisions contained herein, be adjusted and reflected in the Capital Reserves of Transferee Company.
- 12.3 Upon the Scheme coming into effect, the difference between the amount recorded as share capital issued by Transferee Company (Securities issued will be recorded at their nominal value) and the amount of share capital of the Transferor Company shall be transferred to capital reserve of the Transferee Company.
- 12.4 To the extent there are inter-corporate loans or balances between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.
- 12.5 In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the accounting policies, as may be directed by the Board of Directors of the Transferee Company will prevail and the difference will be quantified and adjusted in the Reserves to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.



- 12.6 Upon the Scheme coming into effect, the accounts of the Transferee Company shall be reconstructed with the terms of the Scheme.
- 12.7 Comparative financial information in the financial statements of the Transferee Company shall be restated for the Accounting impact of merger, as stated above, as if the merger has occurred from the beginning of the comparative period.

13. TREATMENT OF TAXES

- 13.1 This Scheme has been drawn up to comply with the conditions relating to “Amalgamation” as specified under Section 2(1B) and other relevant provisions of the Income-tax Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section and other related provisions of the Income-tax Act at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section and other related provisions of the Income-tax Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) and other relevant provisions of the Income-tax Act.
- 13.2 Any tax liabilities under the Income-tax Act, Wealth Tax Act, 1957, applicable value added tax (“VAT”) legislations, Service Tax Act, Goods and Services Tax (GST), stamp laws as amended from time to time or other applicable laws/regulations (hereinafter in this Clause referred to as “Tax Laws”) dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by appropriate tax provisions in the Accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.
- 13.3 All taxes (including but not limited to Income-tax, wealth tax, service tax, VAT, Goods and Services Tax (GST) etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company



and, insofar as it relates to the tax payment (including without limitation Income-tax, wealth tax, service tax, VAT, Goods and Services Tax (GST) etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall in all proceedings, be dealt with accordingly.

- 13.4 Upon the Scheme becoming effective, the Transferor Company (if required) and the Transferee Company are expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the Income-tax Act, central sales tax, applicable state value added tax, Service tax Act, Goods and Services Tax (GST) excise duty laws and other tax laws, and to claim refunds and/or credit for taxes paid (including minimum alternate tax, tax deducted at source, wealth tax, etc) and for matters incidental thereto, if required to give effect to the provisions of the Scheme.
- 13.5 All tax assessment proceedings/ appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to them shall be continued and/or enforced until the Effective Date by the Transferor Company. In the event of the Transferor Company failing to continue or enforce any proceeding/appeal, the same may be continued or enforced by the Transferee Company, at the cost of the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- 13.6 Any refund under the Tax Laws received by/due to the Transferor Company consequent to the assessments made on the Transferor Company subsequent to the Appointed Date and for which no credit is taken in the accounts as on



the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

- 13.7 Without prejudice to the generality of the foregoing, all benefits including but not limited to benefits relating to Income-tax, wealth tax, service tax, VAT, Goods and Services Tax (GST) etc., to which the Transferor Company is entitled in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.
- 13.8 Further, any tax deducted at source by Transferor Company/ Transferee Company on transactions with the Transferee Company/ Transferor Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 13.9 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company shall be made or deemed to have been made and duly complied with by the Transferee Company.

14. DISSOLUTION OF THE TRANSFEROR COMPANY

On the Scheme becoming effective, the Transferor Company shall be dissolved without being wound up.

PART-C – GENERAL

15. APPLICATIONS TO TRIBUNAL

The Transferor Company and the Transferee Company herein shall, with all reasonable dispatch, make applications/petitions under the applicable provisions of the Act to the National Company Law Tribunal (Tribunal) having jurisdiction or any other appropriate authority, for sanction of this Scheme and for dissolution of the Transferor Company without being wound up.

16. MODIFICATIONS/AMENDMENTS TO THE SCHEME



- 16.1 The Transferor Company (by its Directors) and the Transferee Company (by its Directors) may assent to any modifications or amendments to the Scheme or agree to any terms and/or conditions which the Courts and/or any other authorities under law may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting the Scheme into effect. All amendments/modifications to the Scheme shall be subject to approval of National Company Law Tribunal (Tribunal).
- 16.2 For the purpose of giving effect to the Scheme or to any modification thereof, the Directors of the Transferee Company are hereby authorised to give such directions and/or to be take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

17. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

The Scheme is conditional on and subject to:

- 17.1 The approval to the Scheme by the requisite majorities of the members and creditors of the Transferor Company and of the members and creditors of the Transferee Company.
- 17.2 The requisite resolution(s) under the applicable provisions of the said Act being passed by the Shareholders of the Transferee Company for any of the matters provided for or relating to the Scheme, as may be necessary or desirable.
- 17.3 The sanction of the National Company Law Tribunal (Tribunal) under the applicable provisions of the Act, in favour of the Transferor Company and the Transferee Company and to the necessary Order or Orders under the said Act being obtained.
- 17.4 Any other sanction or approval of the Appropriate Authorities concerned, as may be considered necessary and appropriate by the respective Boards of



Directors of the Transferor Company and the Transferee Company being obtained and granted in respect of any of the matters for which such sanction or approval is required.

- 17.5 The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.
- 17.6 The certified copy of the Order of the National Company Law Tribunal (Tribunal) sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra, Mumbai.
- 17.7 Each part of the Scheme shall be given effect to as per the chronology in which it has been provided for in the Scheme. The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if is approved in its entirety unless specifically agreed otherwise by respective Board of Directors or any Committee constituted by such Board of the Transferor Company and the Transferee Company.

18. EFFECT OF NON RECEIPT OF APPROVALS/ SANCTIONS

In the event of any approvals or conditions enumerated in the Scheme not being obtained or complied with, or for any other reason, the Scheme cannot be implemented, the Boards of Directors of the Transferee Company and the Transferor Company shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, or in case the Scheme not being sanctioned by the Hon'ble Tribunal, the Scheme shall become null and void.



19. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges, taxes including duties, levies and all other expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with the Scheme and of carrying out and implementing/ completing the terms and provisions of the Scheme and/or incidental to the completion of Amalgamation of the said Undertaking of the Transferor Company in pursuance of the Scheme shall be borne and paid solely by the Transferee Company.

