14.2 The Transferor Company shall for all purposes treat the profits or incomes or expenditure or losses arising or incurred by it (including the effect of taxes, if any, thereon) to be the profits or incomes or expenditures or losses of the Transferee Company as the case may be.

14.3 The Transferor Company shall not without the written consent of the Transferee Company, undertake any new business.

14.4 No assets of the Transferor Company shall be alienated, charged, mortgaged or encumbered and the Transferor Company shall carry on the business and activities not expressly prohibited herein with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or any third party, except in each case in the following circumstances:

(A) if the same is in the ordinary course of business;

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

(C) if prior written consent of the Transferee Company has been obtained.

14.5 All taxes (including income tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business before the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the tax payment (including, without limitation, sales tax, excise duty, custom duty, income tax, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise, by the Transferor Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.

14.6 The accumulated losses and the unabsorbed depreciation of the Transferor Company as determined under the provisions of the Income Tax Act, 1961 shall be available to the Transferee Company for carry forward and set off against its taxable income.

14.7 From the date of filing of this Scheme with the Central Government and up to and including the Effective Date, the Transferor Company and the Transferee Company shall not, make any change in their respective capital structure in any manner either by any increase (including by way of issue of equity and/or preference shares on a rights basis or by way of a public issue, bonus shares and/or convertible debentures or otherwise), decrease, reduction, reclassification, sub-division, consolidation, re-organisation, or in any other manner except with the prior approval of the board of directors of the Transferor Company or the Transferee Company respectively.

14.8 From the Appointed Date to the Effective Date, in respect of inter-company payables and receivables between the Transferor Company and the Transferee Company, the Transferee Company shall not record any of such payables and receivables in its books;

15. LEGAL PROCEEDING

15.1 Upon the coming into effect of the Scheme, all suits, actions and proceedings of whatsoever nature by or against the Transferor Company, pending and/or arising on or before the Effective Date, shall be continued and be enforced by or against the Transferee Company as effectual as if the same had been pending and/or arising against the Transferee Company.

15.2 The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in 15.1 above transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.

16. CONTRACTS, DEEDS ETC.

16.1 Upon the coming into effect of the Scheme, subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefits of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectively as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. The Transferee Company shall, wherever necessary, enter into and/or issue and/or execute deeds, writings or confirmations at any time, enter into any tripartite arrangements, confirmations or novations prior to the Effective Date to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Article.

16.2 The Transferee Company may, at any time after the coming into effect of the Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor 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 Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

17. ISSUE OF SHARES

17.1 The Transferor Company is a wholly owned subsidiary of the Transferee Company. Hence, the Transferee Company shall not issue any shares or pay any consideration to the Transferor Company or to its Shareholders pursuant to the sanction of this Scheme as the Transferee cannot issue share to itself.