

ENCLOSURE 1

SCHEME OF AMALGAMATION

BETWEEN

TVS INVESTMENTS PRIVATE LIMITED

("TVSIPL" or "Transferor Company")

AND

TVS ELECTRONICS LIMITED

("TVSEL" or "Transferee Company")

AND

THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 AND OTHER
APPLICABLE PROVISIONS AND RULES FRAMED THEREUNDER

(A) PREAMBLE

This Scheme of Amalgamation ("**Scheme**") between TVS Investments Private Limited ("**TVSIPL**" or "**Transferor Company**") and TVS Electronics Limited ("**TVSEL**" or "**Transferee Company**") and their respective shareholders and creditors is presented under Sections 230 to 232 of the Companies Act, 2013 and the rules and regulations made thereunder.

(B) Parts of the Scheme

This Scheme is divided into the following parts: -

Part I deals with the description of the companies and the rationale for the Scheme;

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Part II deals with the definitions, the share capital of the Transferor Company and Transferee Company and the date of taking effect of the scheme;

Part III deals with the Amalgamation of the Transferor Company with and into the Transferee Company and certain consequential aspects thereto

Part IV deals with the general terms and conditions applicable to this Scheme.

The Scheme also provides for various other matters consequential, incidental or otherwise integrally connected herewith.

PART I

DESCRIPTION OF COMPANIES AND RATIONALE FOR SCHEME

1 DESCRIPTION OF THE COMPANIES

1.1 **TVS Investments Private Limited ("TVSIPL" or the "Transferor Company")** was incorporated on 31st August, 2018, as a private limited company in the state of Tamil Nadu under the Companies Act, 2013, under the name Geeyes Family Holdings Private Limited and changed into TVS Investments Private Limited on 9th March, 2022. Its registered office was situated at 249-A, Ambujammal Street, Off TTK Road Alwarpet Chennai-600018, Tamil Nadu, India and further shifted to Greenways Towers, 119, St. Mary's Road, Abhiramapuram, Chennai – 600018, Tamil Nadu, India with effect from 23rd January, 2023. TVSIPL's corporate identity number is U65999TN2018PTC124316 and having PAN:AAHCG4411H and the email ID of the authorised representative is corpsecretarial@tvs-i.in. The Transferor Company is engaged in the business of trading and investment activities of all kinds. It is the holding company of the Transferee Company, holding 59.84% of its equity share capital.

1.2 **TVS Electronics Limited ("TVSEL" or the "Transferee Company")** was originally incorporated in the state of Tamil Nadu under the Companies Act, 1956 as Indmark Infocom Private Limited on 15th September, 1995, became a Deemed Public Company on 1st March 1996, changed to TVS eTechnology Limited on 24th January, 2001 and subsequently changed to TVS Electronics Limited on 25th August 2003. The Transferee Company's corporate identity number L30007TN1995PLC032941 and its registered office was situated at 249-A, Ambujammal Street, Off TTK Road Alwarpet Chennai-600018, Tamil Nadu, India and further shifted to Greenways Towers, 119, St. Mary's Road, Abhiramapuram,

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Chennai – 600018, Tamil Nadu, India with effect from 23rd January, 2023. It is having PAN: AAACI0886K and the email ID of its authorised representative is secretarial@tvs-e.in. The Transferee Company is engaged in manufacturing, design and distribution of IT products, dot matrix printers, point of sale terminals, printer supplies, keyboards, mobiles, mouse, uninterruptible power supplies, and set top boxes and providing B2B and B2C services including installation, warranty management services, contract manufacturing services, infra management services and other related services. The equity shares of the Transferee Company are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”). It is a subsidiary company of the Transferor Company.

2 OBJECT AND RATIONALE OF THIS SCHEME

2.1 Part III of the Scheme deals with the Amalgamation of the Transferor Company with and into the Transferee Company, as a result of which the shareholders of the Transferor Company (including the promoter / promoter group) would directly hold shares in the Transferee Company, since it is envisaged that the following benefits would, *inter alia*, accrue from the Amalgamation:

- a. The Transferee Company is a subsidiary of the Transferor Company. The Amalgamation would result in the promoters of the Transferor Company directly holding shares in the Transferee Company, which will not only lead to simplification of the shareholding structure and reduction of shareholding tiers but also demonstrate the promoter group’s direct commitment to and engagement with the Transferee Company;
- b. The promoter / promoter group of the Transferee Company is desirous of streamlining its holding in the Transferee Company. As a step towards such rationalization, it is proposed to merge the Transferor Company into the Transferee Company;
- c. The Amalgamation will enable greater focus of the management on the business and facilitate in creating enhanced value for Transferee Company’s shareholders and allow a focused strategy in operations, which would be in the best interest of all its shareholders, creditors, and stakeholders;
- d. Consolidation and simplification of the group structure and reduction of administrative costs and legal and regulatory compliances at the group level; and

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- 2.2 Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme to undertake various steps as envisaged in this Scheme pursuant to the provisions of Sections 230-232 of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof).
- 2.3 There is no likelihood that the interests of any shareholder or creditors of the Transferor Company or the Transferee Company would be prejudiced as a result of the Scheme. The Scheme does not affect the rights of the creditors of the Transferor Company or the Transferee Company. There will not be any reduction in amounts payable to the creditors of the Transferor Company or the Transferee Company, nor will there be any change in the terms with creditors which are adverse to their interest, pursuant to the sanctioning of this Scheme.

3 SEQUENCE OF EFFECTIVENESS OF THE SCHEME

Upon the Scheme becoming operative, with effect from the Appointed Date (*as defined hereinafter*), the following shall be deemed to have occurred and become effective and operative from the Effective Date only in the order mentioned hereunder:

1. The Concurrent Scheme (*as defined hereinafter*) effective from the opening hours of the appointed date of 1st April, 2023, subject to its requisite sanction and approval of the National Company Law Tribunal, Chennai Bench in terms of Sections 230 to 232 and other such relevant provisions of the Companies Act, 2013.
2. This Scheme relating to the Amalgamation of the Transferor Company with and into the Transferee Company as per Part III effective from the closing hours of the Appointed Date of 1st April, 2023, subject to its requisite sanction and approval of the Securities and Exchange Board of India (SEBI), National Company Law Tribunal, Chennai Bench (NCLT) in terms of Sections 230 to 232 and other such relevant provisions of the Companies Act, 2013.

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PART II**DEFINITIONS, SHARE CAPITAL AND DATE OF TAKING EFFECT OF SCHEME****4 DEFINITIONS AND INTERPRETATIONS****4.1 Definitions**

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

4.1.1 **“Act”** means the Companies Act, 1956 and/or Companies Act, 2013, to the extent its provisions relevant for this Scheme are notified and ordinances, rules and regulations made thereunder and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force;

4.1.2 **“Applicable Law(s)”** means any statute, notification, bye laws, rules, regulations, guidelines, circulars or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force;

4.1.3 **“Appointed Date”** means the closing business hours of 1st day of April, 2023, or such other date as may be approved by the National Company Law Tribunal(s), for the purposes of this Scheme;

4.1.4 **“Appropriate Authority”** means any national, state, provincial, local or similar governmental, statutory, regulatory, administrative authority, agency, commission, departmental or public body or authority, board, branch, tribunal or court or other entity authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law, or any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law, or any stock exchange of India or any other country including the Registrar of Companies, Regional Director, Official Liquidator, Company Law Board, Competition Commission

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of India, Reserve Bank of India, Securities and Exchange Board of India, Stock Exchanges, National Company Law Tribunal or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction and such other sectoral regulators or authorities as may be applicable;

- 4.1.5 **“Board of Directors” or “Board”** means the Board of Directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted committee(s) thereof;
- 4.1.6 **“BSE”** shall mean BSE Limited;
- 4.1.7 **“Concurrent Scheme”** means the separate Composite Scheme of Amalgamation and Arrangement (Demerger) under Sections 230 to 232 of the Act for the amalgamation of TVS Wealth Private Limited and TVS Capital Funds Private Limited with and into TVS Investments Private Limited, and thereafter demerger and vesting of the asset management and portfolio management business undertaking of TVS Investments Private Limited into Geeyes Capital Funds Private Limited and facility management business undertaking of TVS Investments Private Limited into Sundaram Investment Private Limited on a going concern basis, approved, *inter alia*, by the Board of Directors of TVS Investments Private Limited on 6th June, 2023;
- 4.1.8 **“Effective Date”** means the date on which last of the conditionalities specified in Clause 21 of the Scheme is fulfilled. Any reference in this Scheme to the date “upon the Scheme becoming effective” or “effectiveness of the Scheme” or “upon coming into effect of this Scheme” or “upon the Scheme coming into effect” shall mean the Effective Date, as defined in this Clause;
- 4.1.9 **“Encumbrance”** means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term "Encumbered" shall be construed accordingly;
- 4.1.10 **“Merger” or “Amalgamation”** means the merger or amalgamation of the Transferor Company with and into the Transferee Company in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961;

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- 4.1.11 **“NCLT” or “Tribunal”** means Honourable National Company Law Tribunal, Chennai Bench, having jurisdiction in relation to the Transferor Company and Transferee Company;
- 4.1.12 **“NSE”** shall mean National Stock exchange of India Limited;
- 4.1.13 **“Parties”** shall mean collectively the Transferor Company and the Transferee Company and **“Party”** shall mean each of them, individually;
- 4.1.14 **“Record Date”** means the date to be fixed by the Board of Directors of the Transferee Company or a committee thereof, in consultation with the Board of Directors of the Transferor Company for the purpose of determining the members of the Transferor Company to whom new shares in the Transferee Company shall be allotted under Part III of the Scheme;
- 4.1.15 **“Registrar of Companies” or “ROC”** means the Registrar of Companies in Chennai, having jurisdiction over the Parties;
- 4.1.16 **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Amalgamation, as amended or modified, in its present form submitted to the NCLT for approval, with or without any modifications, as may be approved or imposed or directed by the NCLT or any other Appropriate Authority.
- 4.1.17 **“SEBI”** means Securities and Exchange Board of India;
- 4.1.18 **“Stock Exchanges”** means BSE and NSE collectively;
- 4.1.19 **“Transferee Company” or “TVSEL”** means TVS Electronics Limited, a listed company incorporated under the Act and having Corporate Identification Number L30007TN1995PLC032941 and having its registered office at Greenways Towers, 2nd Floor, 119, St. Mary’s Road, Abhiramapuram, Chennai – 600018, Tamil Nadu, India, and listed its equity shares on BSE and NSE. The PAN of the Transferor Company is AAACI0886K and the e-mail ID of its authorized representative is secretarial@tvs-e.in;

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- 4.1.20 **“Transferor Company” or “TVSIPL”** means TVS Investments Private Limited, a private limited company incorporated under the provisions of the Companies Act, 2013, having Corporate Identification Number U65999TN2018PTC124316 and having its registered office at Greenways Towers, 2nd Floor, 119, St. Mary’s Road, Abhirampuram, Chennai-600018, Tamil Nadu, India. The PAN of the Transferor Company isAAHCG4411H and the e-mail ID of its authorized representative is corpsecretarial@tvs-i.in; and
- 4.1.21 **“Transition Period”** means period starting from the Appointed Date till the Effective Date.
- 4.1.22 **“Taxation” or “Tax” or “Taxes”** means all forms of taxes and statutory, governmental, state, provincial, local government or municipal impositions, duties, contribution and levies and whether levied- under Tax Laws by reference to income, profit, book profits, gains, net wealth, asset values, turnover, added value or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, collection at source, advance tax, minimum alternate tax, minimum alternate tax credit or otherwise or attributable directly or primarily to Transferor Company and Transferee Company, as the case may be and all penalties, charges, costs and interest relating thereto;
- 4.1.23 **“Tax Laws”** means all the applicable laws, acts, rules and regulations dealing with Taxes including but not limited to the any tax liability under the Income-tax Act, 1961, Customs Act 1962, Central Excise Act, 1944, Goods and Services Tax Act, 2017, State Value Added Tax laws, Central Sales Tax Act, 1956 or other applicable laws/ regulations dealing with taxes/ duties/ levies of similar nature;
- 4.1.24 **“Undertaking”** means the entire business undertaking of the Transferor Company, on a going concern basis and shall include the following:
- i. all assets of the entire business undertaking of the Transferor Company whether moveable properties, immovable properties, leases, real or personal, corporeal or incorporeal, in possession, or in reversion, present, future, contingent, tangible or intangible not limited to furniture, fixtures, office equipment, appliances, accessories, all stocks, sundry debtors, investments, deposits including deposits or outstanding in litigations or paid under protest, provisions, advances, receivables, funds, leases, licenses, tenancy rights, premises, hire

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- purchase and lease arrangements including benefits of agreements, contracts and arrangements, powers, authorities, software developed, registrations, trademark, logo, quotas, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the rights, title, interests, benefits, entitlement and advantages, contingent rights or benefits belonging to or in the ownership, power, possession or the control of or vested into or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, pertaining to its business undertaking, all intellectual property rights created, developed or invented in connection with the business undertaking, if any;
- ii. all debts, borrowings, obligations and liabilities, including contingent liabilities, duties, leases, whether present or future, whether secured or unsecured, of the Transferor Company;
 - iii. all books, records, files, papers, engineering and process information, computer programmes, software licenses (whether proprietary or otherwise), data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to the business undertaking;
 - iv. all permanent employees employed by the Transferor Company, pertaining to the respective business undertakings of the Transferor Company, as identified by the Board of Directors of TVSIPL respectively, as on the Effective Date;
 - v. all security deposits, or other entitlements, if any, in connection with or relating to Transferor Company; and
 - vi. All legal and other proceedings of whatsoever nature that pertain to the Transferor Company
 - vii. Right to any claim not preferred or made by the Transferor Company in respect of, any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or Scheme made by the Government, and in respect of set-off, carry forward of unabsorbed losses and/ or unabsorbed depreciation, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income-tax Act, 1961, or taxation laws of other countries, or any other or like benefits under the said statute(s) or under and in accordance with any law or statute, whether in India or anywhere outside India;

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

4.2 Interpretations

In the Scheme, unless the context otherwise requires:

- 4.2.1 Words denoting the singular shall include the plural and vice versa and words denoting any gender shall include all genders;
- 4.2.2 headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information and convenience only and shall not form part of the operative provisions of the Scheme and shall be ignored in construing the same;
- 4.2.3 the words "include" and "including" are to be construed without limitation;
- 4.2.4 reference to a clause, paragraph or schedule is a reference to a clause, paragraph or schedule of the Scheme;
- 4.2.5 Reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement, re-enactment, restatement or amendment of, that law or legislation or regulation and shall include the rules and regulations thereunder; and
- 4.2.6 references to days, months and years are to calendar days, calendar months and calendar years, respectively.

5 DATE OF TAKING EFFECT AND OPERATIVE DATE

5.1 The Scheme shall be effective in its present form or with any modification(s) approved or imposed or directed by the NCLT or any other Appropriate Authority and shall become

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effective from the Appointed Date, as defined under this Scheme in accordance with Section 232(6) of the Act.

5.2 The merger of the Transferor Company with and into the Transferee Company shall be in accordance with Section 2(1B) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with Section 2(1B) of the Income Tax Act, 1961 at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provision of the Income Tax Act, 1961, shall prevail. The Scheme shall then stand modified to the extent deemed necessary to comply with the said provisions. Such modification will, however, not affect other parts of the Scheme.

6 SHARE CAPITAL

6.1 The share capital structure of TVSIPL or the Transferor Company as on 30/09/2023 is as under:

Share Capital	INR
Authorized share capital	
12,25,00,000 Equity Shares of INR 1 each	12,25,00,000
Total	12,25,00,000
Issued, subscribed and paid-up share capital	
17,46,722 Equity Shares of INR 1 each	17,46,722
Total	17,46,722

Subsequent to 30/09/2023, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company.

The authorised share capital of the Transferor Company shall stand to be modified pursuant to the terms of the Concurrent Scheme, on the Concurrent Scheme taking effect and subject to its approval by the NCLT.

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Upon issuance of shares pursuant to the effectiveness of the Concurrent Scheme, the issued, subscribed and paid-up share capital of the Transferor Company shall also stand increased to INR 18,42,720 (Rupees Eighteen Lakhs Forty-Two Thousand Seven-Hundred and Twenty Only) comprising of 18,42,720 (Eighteen Lakhs Forty-Two Thousand Seven-Hundred and Twenty) equity shares of face value of INR 1/- each.

6.2 The share capital structure of TVSEL or the Transferee Company as on 30/09/2023 is as under:

Share Capital	INR
Authorized share capital	
2,50,00,000 Equity Shares of INR 10 each	25,00,00,000
Total	25,00,00,000
Issued, subscribed and paid-up share capital	
1,86,50,318 Equity Shares of INR 10 each	18,65,03,180
Total	18,65,03,180

Subsequent to 30/09/2023, there has been no change in the authorised, issued, subscribed, and paid-up share capital of Transferee Company.

PART III

AMALGAMATION OF TRANSFEROR COMPANY WITH AND INTO THE TRANSFEE COMPANY

7 AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND THE BUSINESS OF THE TRANSFEROR COMPANY WITH AND INTO THE TRANSFEE COMPANY

With effect from the Appointed Date and upon the Scheme becoming effective, the Undertaking of the Transferor Company, along with all the assets, liabilities, contracts, employees, licences, records, approvals, etc. being integral part of the Transferor Company shall, without any further act, instrument or deed, stand amalgamated with and be vested in or be deemed to have been vested in

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the Transferee Company on a going concern basis so as to become as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

7.1 Without prejudice to the generality of the above clauses and to the extent applicable, unless otherwise stated herein, upon the coming into effect of this Scheme and with effect from the Appointed Date:

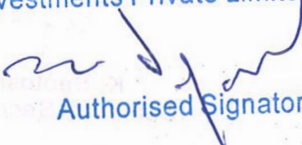
- a. All the properties and assets of the Undertaking of the Transferor Company, tangible or intangible, balance in bank, cash or investments (including investment in subsidiaries) and other assets of whatsoever nature and tax credits including under GST law, quotas, rights, consents, entitlements, licenses, certificates, permits, and facilities of every kind and description whatsoever for all intents and purposes, permissions under any Tax Laws, incentives, if any, without any further act or deed so as to become the business, properties and assets of the Transferee Company. The only asset in the Transferor Company, on the Concurrent Scheme coming into effect and immediately prior to this Scheme coming into effect, shall be the investments made in its subsidiary, i.e., the Transferee Company.
- b. All the movable assets of the Transferor Company or assets otherwise capable of transfer by manual delivery or by endorsement and delivery, including cash in hand, shall be physically handed over by manual delivery or by endorsement and delivery, to the Transferee Company to the end and intent that the property therein passes to the Transferee Company on such manual delivery or endorsement and delivery, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company accordingly.
- c. All other movable properties of the Transferor Company, including investments in shares of the subsidiaries of the Transferor Company, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, pursuant to the orders of this Scheme becoming effective and by operation of law become the properties of the Transferee Company, and the title thereof together with all rights, interests or obligations therein shall be deemed to have been mutated and recorded as that of the Transferee company. All investments of the Transferor Company shall be recorded in the name of the Transferee Company by operation of law as transmission in favour of the Transferee Company as a successor in interest and any documents of title in the name of the Transferor Company shall

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also be deemed to have been mutated and recorded in the name of the Transferee Company to the same extent and manner as originally held by the Transferor Company and enabling the ownership, right, title and interest therein as if the Transferee Company was originally the Transferor Company. The Transferee Company shall subsequent to this Scheme becoming effective be entitled to the delivery and possession of all documents of title of such movable property in this regard;

- d. All the consents, permissions, licenses, certificates, insurance covers, clearances, authorities, power of attorneys given by, issued to or executed in favour of the Transferor Company, shall stand vested in or transferred automatically to the Transferee Company without any further act or deed and shall be appropriately mutated by the authorities concerned therewith in favour of the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Transferee Company. The benefit of all statutory and regulatory permissions including the statutory or other licenses, Tax registrations, permits, permissions or approvals or consents required to carry on the operations of the Transferor Company shall automatically and without any other order to this effect, vest into and become available to the Transferee Company pursuant to this Scheme becoming effective in accordance with the terms thereof. Without prejudice to the provisions of the above clauses, in respect of such of the assets and properties of the Transferor Company, as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company and shall upon such transfer become the assets and properties of the Transferee Company without requiring any deed or instrument or conveyance for the same.
- e. All debts, liabilities, contingent liabilities, duties, Taxes (including any advance taxes paid, MAT credit, Tax Deducted at Source deducted on behalf of the Transferor Company, etc.), GST liabilities, and obligations of the Undertaking of the Transferor Company, as on the Appointed Date, whether provided for or not, in the books of accounts of the Transferor Company, and all other liabilities which may accrue or arise after the Appointed Date but which relates to the Transition Period, shall, pursuant to this Scheme becoming effective as per the order of the NCLT or such other competent authority, as may be applicable under Section 232 and other applicable provisions of the Act, and without any further act or deed, be vested or deemed to be vested in and be assumed by the Transferee Company, so as to become as from the Appointed Date the

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debts, liabilities, contingent liabilities, Taxes, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.

- f. All intangible assets including various business or commercial rights, pre-qualification for past projects / sales, customer-base, etc. belonging to but not recorded in books of the Transferor Company shall be transferred to and vested with the Transferee Company and shall include all letters of intent, request for proposal, prequalification, permits, registrations, bid acceptances, tenders, technical experience (including experience in executing projects), goodwill earned in execution of the projects, technical know-how, contracts, deeds, memorandum of understanding, bonds, agreements, track record, brand usage rights (or any other nomenclature called) and all other rights claims, powers in relation to or enjoyed by or granted in favour of the Transferor Company, and the historical financial strength including turnover, profitability, performance, market share, net-worth, liquid/ current assets and reserves of the previous years and all empanelment's, accreditations, recognitions as approved vendors for undertaking any jobs;
- g. In so far as the various incentives, indirect tax benefits, subsidies, grants, special status and other benefits or privileges enjoyed, granted by any government body, local authority or by any other person, or availed of by the Transferor Company are concerned, the same shall, without any further act or deed, vest with and be available to the Transferee Company on the same terms and conditions on and from the Appointed Date.
- h. The Transferee Company, may, at any time after this Scheme coming into effect, if required under law or otherwise, execute deeds of confirmation in favour of any other party with which the Transferor Company has a contract or arrangement, or give any such writing or do any such things, as may be necessary, to give effect to the above.
- i. In so far as loans and borrowings of the Transferor Company pertaining to the loans and liabilities, which are to be vested to the Transferee Company shall, without any further act or deed, become loans and borrowings of the Transferee Company, and all rights, powers, duties and obligations in relation thereto shall be and stand vested in and shall be exercised by or against the Transferee Company as if it had entered into such loans and incurred such borrowings. Thus, the primary obligation to redeem or repay such liabilities upon the Scheme becoming effective shall be that of the Transferee Company. However, without prejudice to such vesting of liability amount, where considered necessary for the sake of convenience and towards facilitating single point creditor

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discharge, the Transferee Company may discharge such liability (including accretions thereto) by making payments on the respective due dates to the Transferor Company, which in turn shall make payments to the respective creditors.

j. The vesting of the assets of the Undertaking comprised in the Transferor Company to the Transferee Company under this Scheme shall be subject to the mortgages and charges, if any, affecting the same as hereinafter provided.

(i) The existing securities, mortgages, charges, encumbrances or liens, if any, created by the Transferor Company after the Appointed Date and during the Transition Period, in terms of this Scheme, over the assets comprised in the Transferor Company, or any part thereof, shall be vested in the Transferee Company by virtue of this Scheme, and the same shall, after the Transition Period, continue to relate and attach to such assets or any part thereof to which they relate or attached prior to the Transition Period and are vested with the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets, of the Transferor Company.

(ii) In so far as the existing Encumbrances, if any, in respect of the loans, borrowings, debts, liabilities, is concerned, such Encumbrance shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in the Transferor Company which have been Encumbered in respect of the transferred liabilities as transferred to the Transferee Company pursuant to this Scheme. Provided that if any of the assets comprised in the Undertaking of the Transferor Company which are being transferred to the Transferee Company pursuant to this Scheme have not been Encumbered in respect of the transferred liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or third party shall not affect the operation of the above.

(iii) In so far as the existing security in respect of the loans or borrowings of the Transferor Company and other liabilities relating to the Transferor Company are concerned, such security shall, without any further act, instrument or deed be continued with the Transferee Company. The Transferor Company and the Transferee Company shall file

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necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

- (iv) The foregoing provisions insofar as they relate to the vesting of liabilities with the Transferee Company shall operate, notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security documents, all of which instruments shall stand modified and/or superseded by the foregoing provisions.
- k. With effect from the Appointed Date and during the Transition Period, subject to the other provisions of the Scheme, all approvals, quotas, rights, consents, entitlements, licenses, certificates, permits, and facilities of every kind and description whatsoever, privileges, deeds, bonds, quality certifications and approvals, powers of attorneys, agreements and other instruments of whatsoever nature in relation to the Transferor Company, as the case may be, is a party, or the benefit to which the Transferor Company may be eligible, subsisting or operative immediately on or before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company and may be enforced fully and effectively as if instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto for continuation of operations of the Transferor Company by the Transferee Company without any hindrance or disruption after the Transition Period. The Transferee Company shall enter into and/or issue and/or execute deeds, writings, endorsements or confirmation or enter into any tripartite agreement, confirmations or novations to which the Transferor Company will, if necessary, also be a party, in order to give formal effect to the provisions of this Scheme, if so required or if it becomes necessary. Further, the Transferee Company shall be deemed to be authorized to execute any such deeds, writings, endorsements or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.
- l. With effect from the Appointed Date and upon the Scheme becoming effective, the entitlement to various benefits under incentive schemes and policies, if any, in relation to the Transferor Company shall stand vested in and/or be deemed to have been vested in the Transferee Company together with all benefits and entitlements of any nature whatsoever. Such entitlements shall include Taxes benefits under the Tax Laws in the nature of exemption, deferment, refunds and incentives in relation to the Transferor Company to be claimed by the Transferee Company with effect from the Appointed Date as if the Transferee Company was originally entitled to all such

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benefits under such scheme and/or policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits and entitlements under such incentive schemes were made available to the Transferor Company. The Transferee Company shall be entitled to such benefits in its name, without any additional liabilities or expenses whatsoever.


- m. Taxes as per the Tax Laws of the Transferor Company to the extent not provided for or covered by the Tax provision in the accounts made as on the date immediately preceding the Appointed Date related to the Transferor Company shall be vested with the Transferee Company.
- n. All Taxes paid or payable by the Transferor Company in respect of the operations and/ or the profits of Transferor Company before the Appointed Date shall be on account of the Transferor Company and in so far as it relates to the Tax payment whether by way of deduction at source, collection at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operations of the Transferor Company 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.
- o. On and from the Appointed Date, if any Certificate for Tax Deducted at Source, Tax collected at source or any other tax credit certificate relating to the Transferor Company is received in the name of the Transferor Company, it shall be deemed to have been received by the Transferee Company, which alone shall be entitled to claim credit for such tax deducted or paid.
- p. Upon the Scheme becoming effective, the Transferor Company shall have right to revise their respective returns filed under Tax Laws, along with prescribed forms, filings and annexures under the Tax Laws and claim refunds and / or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme;
- q. On and from the Appointed Date, the benefit of all balances relating to Taxes under the Tax Laws being balances pertaining to the Transferor Company, if any, shall stand vested in the Transferee Company as if the transaction giving rise to the said balance or credit was a transaction carried out by the Transferee Company. The liabilities of the Transferor Company as on the Appointed Date shall stand vested in the Transferee Company, save as otherwise in respect of the liabilities, which were met by the Transferor Company during the Transition Period, which shall be construed

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to have been met by the Transferee Company as if the transaction giving rise to the said liability was a transaction carried out by the Transferee Company.

- r. Upon the coming into effect of this Scheme and notwithstanding the other provisions of this Scheme, all contracts, deeds, agreements, licenses, engagements, certificates, permissions, consents, approvals, concessions and incentives, remissions, remedies, subsidies, guarantees, etcetera of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company or any project owned or promoted by the Transferor Company may be eligible and which have not lapsed and are vested, subsisting or having effect on the Effective Date shall be in full force and effect in favour of the Transferee Company, as the case may be, and may be enforced by the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto or beneficiary thereof. The Transferee Company may enter into and/or issue and/or execute deeds, writings or confirmations, or enter into any bipartite or multipartite arrangements, confirmations or novations, in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary. The Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this clause. The Transferee Company shall perform the Transferor Company obligations under all existing contracts, deeds, agreements, licenses, and other such instruments, as the new obligor replacing the original obligor, i.e., the Transferor Company.
- s. On and from the Effective Date, and till such time that the name of the bank accounts of the Transferor Company has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company in the name of the Transferor Company and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of Transferee Company, if presented by the Transferee Company;

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8 STAFF & EMPLOYEES

- 8.1 On Part III of the Scheme becoming operative, all the executives, staff, workmen and employees in the service of the Transferor Company immediately preceding Effective Date, and that they shall become the executives, staff, workmen and employees, of the Transferee Company on the basis that their services shall be deemed to have been continuous and not have been interrupted by reasons of the said transfer. The terms and conditions of service applicable to such executives, staff, workmen and employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately preceding the transfer.
- 8.2 The equitable interest in accounts/funds of the employees and staff, if any, whose services are vested with the Transferee Company, relating to superannuation, provident fund and gratuity fund, if any, shall be identified, determined and vested with the respective trusts/funds of the Transferee Company and such employees shall be deemed to have become members of such trusts/funds of Transferee Company. Until such time, the Transferor Company may, subject to necessary approvals and permissions, if any, continue to make contributions pertaining to the employees of the Transferor Company to the relevant funds of the Transferor Company.
- 8.3 The Transferee Company, at any time after the Scheme becoming effective in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Transferor Company to which the Transferor Company is a party in order to give formal effect to the provisions of the Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances, referred to above, on behalf of the Transferor Company.
- 8.4 The Transferee Company undertakes that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits to the employees of the Transferor Company, the past services of such employees with the Transferor Company shall also be taken into account and it shall pay the same accordingly, as and when such amounts are due and payable. Upon this Scheme becoming effective, the Transferor Company will transfer/handover to the Transferee Company, copies of employment information, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents

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reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to its and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.

- 8.5 The Transferee Company shall continue to abide by any agreement(s)/ settlement(s) entered into by the Transferor Company with any of its employees prior to Appointed Date and from Appointed Date till the Effective Date.

9 LEGAL PROCEEDINGS

- 9.1 If any suit, appeal or proceedings of whatsoever nature (hereinafter referred to as "the said proceedings") by or against the Transferor Company be pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the transfer of the Transferor Company or by anything in this Scheme, but the said proceedings may be continued, prosecuted and enforced, as the case may be, by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued and enforced, as the case may be, by or against the Transferor Company if this Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company.
- 9.2 The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.
- 9.3 After the Effective Date, the Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company 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.

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

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

11 CONSIDERATION / ISSUE OF SHARES

11.1 Upon coming into effect of the Scheme and in consideration for transfer and vesting of the Undertaking of the Transferor Company with and into the Transferee Company, the Transferee Company shall, without any further application or deed and without any further payment, issue and allot to all the equity shareholders of the Transferor Company (whose names appear in the register of members as on the Record Date) in the following manner:

"1,11,60,093 fully paid-up equity shares of INR. 10 each of the Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of the Transferor Company in proportion of their holding in the Transferor Company."

11.2 Since the Transferor Company holds 59.84% of the shares in the Transferee Company, upon the Scheme being sanctioned by the Hon'ble Tribunal and the transfer having been effected as provided in this Scheme, all the equity shares held by the Transferor Company in the Transferee Company shall be cancelled and equity shares of the Transferee Company shall be issued to the shareholders of the Transferor Company, in accordance with Clause 11.1 above, to the extent of 59.84%.

11.3 Equity shares, as the case may be, shall be issued by the Transferee Company in dematerialized form to those equity shareholders of the Transferor Company respectively who hold shares of the Transferor Company in dematerialized form, into the account in which the Transferor Company shares are held or such other account as is intimated by the shareholders to the Transferee Company and / or its Registrar. All those shareholders who hold shares of the Transferor Company in physical form

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shall receive the equity shares in the Transferee Company in dematerialized form by providing the details of their account with the Depository Participant in writing to the Transferee Company and / or its Registrar. Such shares shall be issued to all the equity shareholders of the Transferor Company whose names appear in the register of members as on the Record Date or to their respective heirs, executors, administrators, or other legal representatives, or successors-in-title, as the case may be.

- 11.4. The Transferee Company shall take necessary steps to increase or alter or re-classify, (if necessary), its authorized share capital suitably to enable it to issue and allot equity shares required to be issued and allotted by it under this Scheme.
- 11.5. The equity shares to be issued to the shareholders of the Transferor Company as above shall be subject to the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu with the existing equity shares of the Transferee Company in all respects.
- 11.6. If any shareholder becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of the equity shares by the Transferee Company in accordance with Clause 11.1 above, the Board of the Transferee Company shall consolidate all such fractional entitlements and shall round up the aggregate of such fractions to the next whole number and issue consolidated Equity Shares, as the case may be, to a trustee nominated by the Transferee Company (the "Trustee"), who shall hold such equity shares, as the case may be, with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such equity shares in the market at such price or prices and on such time or times within ninety (90) days from the date of allotment, as the Trustee may in its sole discretion decide and on such sale, pay to the Transferee Company, the net sale proceeds (after deduction of applicable taxes and costs incurred) thereof and any additions and accretions, whereupon the Transferee Company shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of the Transferor Company in proportion to their respective fractional entitlements.
- 11.7. Pursuant to the issuance of equity shares by the Transferee Company, the shareholders of the Transferor Company shall become the shareholders of the Transferee Company.
- 11.8. The equity shares of the Transferee Company to be issued in terms of this Scheme will be listed and/ or admitted to trading on the Stock Exchanges where the shares of the Transferee Company are

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already listed and/ or admitted to trading, subject to necessary approvals under the Regulations issued by the Securities and Exchange Board of India and from the Stock Exchanges and all necessary applications and compliances being made in this respect by the Transferee Company.

- 11.9. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties after the effectiveness of the Scheme.
- 11.10. The shares to be issued pursuant to this Scheme in respect of any equity shares of the Transferor Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall pending allotment or settlement of dispute by order of court or otherwise, be held in abeyance.
- 11.11. The shares to be issued by the Transferee Company in lieu of the shares of the Transferor Company held in the respective unclaimed suspense account of the Transferor Company shall be issued to a new unclaimed suspense account created for shareholders of the Transferor Company.
- 11.12. In the event that the Transferee Company restructures its equity share capital by way of share split/ consolidation/ issue of bonus shares during the pendency of this Scheme, the Share Exchange Ratio for the equity shares to be issued in the Transferee Company to the shareholders of the Transferor Company shall be adjusted accordingly to take into account the effect of any such corporate actions.
- 11.13. The approval of this Scheme by the equity shareholders of the Transferor Company and Transferee Company under Sections 230 to 232 of the Act shall be deemed to have the approval under Sections 62 of the Act and other applicable provisions of the Act and any other consents and approvals required in this regard.

12. ACCOUNTING TREATMENT

- 12.1 Amalgamation of the Transferor Company with the Transferee Company shall be accounted in the books of the Transferee Company for by way of as per "Pooling of Interests Method" under Appendix C of Ind-AS 103 (Accounting for Business Combinations) and any other relevant Indian Accounting Standard prescribed under Section 133 of the Act.

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- 12.2 All the assets and liabilities of Transferor Company shall be recorded in the financial statements of the Transferee Company at the carrying value as appearing in the financial statements of the Transferor Company as on the Appointed Date.
- 12.3 The identity of the reserves pertaining to the Transferor Company, shall be preserved and shall appear in the merged financial statements of Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company and it shall be aggregated with the corresponding balance appearing in the financial statements of the Transferee Company, as on the Appointed Date.
- 12.4 The Transferee Company shall credit its share capital account in its books of account with the aggregate face value of the new equity shares issued to the shareholders of Transferor Company.
- 12.5 To the extent that there are inter-company loans, deposits, obligations, balances or other outstanding including any interest thereon, as between the Transferor Company and the Transferee Company as the case may be, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be.
- 12.6 The excess / deficit of the value of the assets over the value of liabilities of the Transferor Company, pursuant to Amalgamation of the Transferor Company with and into the Transferee Company, and as recorded in the books of account of the Transferee Company shall, after adjusting as above, be recorded as 'Capital Reserve' in the books of the Transferee Company.
- 12.7 Notwithstanding anything to the contrary contained herein above, the Board of Directors of the Transferee Company, in consultation with its statutory auditors to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountant of India and generally accepted accounting principles.

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13. CONDUCT OF BUSINESS UNTIL AND AFTER EFFECTIVE DATE

13.1. Transferor Company as Trustee

With effect from the Appointed Date and up to and including Effective Date, the Transferor Company shall carry on and shall be deemed to have carried on all their business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed on account of and for the benefit of and in trust for, the Transferee Company, as the Transferee Company is taking over the business as a going concern. The Transferor Company shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall neither 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 themselves or on behalf of any third parties, sell, transfer, alienate, charge, mortgage or encumber or deal with the assets of the Undertaking of the Transferor Company or any part thereof save and except as contemplated in the Concurrent Scheme or in the ordinary course of business as carried on by them as on the date of filing of this Scheme with the NCLT or with the written consent of the Transferee Company.

13.2. Profit or Losses up to Effective Date

With effect from the Appointed Date and up to and including the Effective Date, all profits or incomes accruing or arising to the Transferor Company or all expenditure or losses incurred or arising, as the case may be, by the Transferor Company shall, for all purposes, be treated and deemed to be and accrue as the profits or incomes or expenditures or losses, as the case may be, of the Transferee Company.

13.3. Taxes

- a. All taxes paid or payable by the Transferor Company in respect of the operations and / or profits of the business before the Appointed Date and from the Appointed Date till the Effective Date, shall be on account of the Transferee Company and in so far as it relates to the tax payment by the Transferor Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.

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- b. Any refund under Income Tax Act, 1961, or other applicable laws or regulations dealing with taxes allocable or related to the business of the Transferor Company and due to the Transferor Company consequent to the assessment made on the Transferor Company 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.
- c. All tax benefits of any nature, duties, cesses or any other like payments or deductions available to the Transferor Company under Income Tax, Goods and Services Tax, Service Tax etc. or any Tax Deduction/Collection at Source, MAT Credit, tax credits, GST input tax credits, benefits of CENVAT credits, benefits of input credits, and in respect of set-off, carry forward of tax losses, and unabsorbed depreciation shall be deemed to have been on account of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the passing of the order on this Scheme by the NCLT upon relevant proof and documents being provided to the said authorities.

13.4. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company.

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

14.1. Subject to other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature to which the Transferor Company are a party, subsisting or having effect immediately before the Amalgamation, shall remain in full force and effect against or, as the case may be, in favour of the Transferee Company and may be enforced as fully and effectively as if instead of the Transferor Company, the Transferee Company was a party thereto. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds, confirmations or other writings or arrangements to which the Transferor Company are a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to

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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

- 14.2. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall receive relevant approvals from the Appropriate Authority concerned as may be necessary in this behalf.

15. INTER-SE TRANSACTIONS

- 15.1. Without prejudice to the aforesaid Clauses, with effect from the Appointed date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date and on the coming into effect of this Scheme, the same shall stand cancelled without any further act, instrument or deed above clause has no impact.

- 15.2. Further, it is clarified that the above clause has no impact whatsoever on any taxes in the form of income-tax, goods and service tax, service tax, works contract tax, value added tax etc. paid on account of such transactions. The taxes paid shall be deemed to have been paid by or on behalf of the Transferee Company and on its own account and therefore, the Transferee Company will be eligible to claim the credit / refund of the same and is also entitled to revise returns, as may be necessary, to give effect to the same.

16. MATTERS RELATING TO SHARE CERTIFICATES

The share certificates held by the shareholders of the Transferor Company shall automatically stand cancelled without any necessity of them being surrendered to the Transferee Company.

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17. **DISSOLUTION OF THE TRANSFEROR COMPANY**

Upon the Scheme being sanctioned by an order made by the NCLT under Sections 230 to 232 of the Act, the Transferor Company shall stand dissolved without winding up on the Scheme becoming effective from the Effective Date in accordance with the Act and the relevant rules.

PART IV

GENERAL TERMS AND CONDITIONS

18. **APPLICATION TO NCLT**

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

18.2 The Parties shall, with reasonable dispatch, apply to the Tribunal for necessary orders or directions for holding or dispensing with the meetings of the members (and creditors, if necessary) of the Parties and for sanctioning this Scheme under Section 230 to 232 of the Act and orders under Section 232 of the Act for carrying this Scheme into effect.

19. **MODIFICATION OR AMENDMENTS TO THE SCHEME**

19.1 Subject to approval of NCLT, the respective Boards or the respective authorized representative appointed by the Boards of the Transferor Company and the Transferee Company, may assent to any modifications, alterations or amendments of this Scheme or any conditions which the NCLT and / or any other competent authority may deem fit to direct or impose and the said respective Boards and after dissolution of the Transferor Company (without winding up), the Board of the Transferee Company may do all such acts, things and deeds necessary in connection with or to carry out the Scheme into effect and take such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any order of the NCLT or any directions or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and / or matters concerned or connected therewith.

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19.2 In the event of any of the conditions that may be imposed by the NCLT or other authorities which the Transferor Company and/or the Transferee Company may find unacceptable for any reason, in whole or in part, then Transferor Company and/or the Transferee Company are at liberty to withdraw the Scheme. In such a case, Transferor Company and/or the Transferee Company shall respectively bear their own cost or as may be mutually agreed. It is hereby clarified that notwithstanding anything to the contrary contained in this Scheme, the Transferor Company and/or the Transferee Company shall not be entitled to withdraw the Scheme unilaterally without the prior written consent of the other.

20. DECLARATION OF DIVIDEND, BONUS ETC.

20.1 The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date but only in the ordinary course of business. Any declaration or payment of dividend otherwise than as aforesaid, by the Transferor Company and/or by the Transferee Company shall be subject to the prior approval of the Board of Directors of respective companies and in accordance with Applicable Laws. It is clarified that prior approval of any of the Board of the Directors shall not be required for payment of any dividend already announced or declared but yet to be paid, by the Transferor Company and / or the Transferee Company to its shareholders.

20.2 It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and / or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Company and / or the Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Company and / or the Transferee Company, respectively.

21. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

The Scheme is conditional upon and subject to:

21.1 The effective date of the Concurrent Scheme having occurred;

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- 21.2 Receipt of approval of the Scheme by the Stock Exchanges and Securities and Exchange Board of India, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 30, 2023, wherever applicable.
- 21.3 The approval by the requisite majorities of the respective members and/or creditors (where applicable) of the Transferor Company and/or the Transferee Company, if directed by the NCLT or any other competent authority, as may be applicable.
- 21.4 The scheme is conditional upon approval by the public shareholders of the Transferee Company through e-voting in terms of Part - I (A)(10)(a) of SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, and the scheme shall be acted upon only if vote cast by the public shareholders of the Transferee Company in favour of the proposal are more than the number of votes cast by the public shareholders of the Transferee Company against it.
- 21.5 The sanction of the Scheme by the NCLT under Sections 230 to 232 and other applicable provisions, if any, of the Act.
- 21.6 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 it is approved in its entirety unless specifically agreed otherwise by the Transferor Company and the Transferee Company and by their respective Board of Directors or any Committee constituted by them.

22. VALIDITY OF RESOLUTIONS

Upon the coming into effect of the Scheme, the resolutions passed by the Board of Directors and/or shareholders of the Transferor Company as are considered necessary by the Board of Directors of the Transferee Company and which are valid and subsisting shall continue to be valid and subsisting and be considered as the resolutions of the Transferee Company and if any such resolutions have monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits as are considered necessary by the Board of Directors of the Transferee Company shall be added to the limits if any, under like resolutions passed by the Board of Directors and/or the shareholders of the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

For TVS Electronics Limited


K. Santosh
Company Secretary

For TVS Investments Private Limited


Authorised Signatory

23. **BINDING EFFECT**

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

24. **EFFECT OF NON-RECEIPT OF APPROVALS**

24.1 In the event any of the said approvals or sanctions referred to in Clause 21 above or Clause 45 of the Concurrent Scheme not being obtained or conditions enumerated in the Scheme not being complied with, or for any other reason, the Scheme cannot be implemented, the Boards of Directors or committee empowered thereof of the Transferor Company and/or the Transferee Company shall by mutual agreement waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, the Scheme shall become null and void and shall stand revoked, cancelled and be of no effect and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

24.2 Further, in case of non-receipt of approvals to the Scheme, no rights and liabilities whatsoever shall accrue or to be incurred inter-se by the Transferor Company or the Transferee Company or their respective shareholders or creditors or employees or any other person.

25. **GIVING EFFECT TO THE SCHEME**

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

26. **SEVERABILITY**

26.1 If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and/or Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

For TVS Electronics Limited


K. Santosh
Company Secretary

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For TVS Investments Private Limited


Authorised Signatory

26.2 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement amongst the Transferor Company and Transferee Company and their respective shareholders, and the terms and conditions of this Scheme, the latter shall prevail.

27. **EFFECT OF SCHEME NOT GOING THROUGH**

In the event of this Scheme failing to take finally effect for whatsoever reasons, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se between the parties or their respective shareholders or creditors or employees or any other person.

28. **COSTS**

All costs, charges, taxes including duties, levies, stamp duty, and all other expenses, if any (save as expressly otherwise agreed) in relation to the Scheme shall be borne by the Transferee Company.

For TVS Electronics Limited


K. Santosh
Company Secretary

For TVS Investments Private Limited


Authorised Signatory

