

S R B C & CO LLP

Chartered Accountants

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 4815 8000

Certificate

To,
The Board of Directors
Welspun India Limited,
Welspun House, 6th Floor,
Kamala City, Senapati Bapat Marg
Lower Parel,
Mumbai - 400013

We, the statutory auditors of Welspun India Limited (hereinafter referred to as "the Company"), have examined the proposed accounting treatment specified in clause 7 of the Draft Scheme of Amalgamation of Prasert Multiventure Private Limited and Welspun India Limited and their respective shareholders and Creditors ('the Draft Scheme') in terms of the provisions of section(s) 230-232 of the Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 2013 and Other Generally Accepted Accounting Principles. The draft scheme is attached herewith and initialed by us for identification purpose only.

Management responsibility

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved.

Auditor responsibility

Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.

We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the clause 7 of the Draft scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013.



For Welspun India Limited
[Signature]
Director / Company Secretary

Pg. No - 87

S R B C & CO LLP

Chartered Accountants

Welspun India Limited

Page 2 of 4

This Certificate is issued at the request of Welspun India Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the BSE Limited and the National Stock Exchange of India Limited. This Certificate should not be used for any other purpose without our prior written consent.

This certificate should be read together with the appendix attached herewith which forms an integral part of this report.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Anil Jobanputra

Partner

Membership Number: 110759

Place of Signature: Mumbai

Date: 21 September 2018



For Welspun India Limited


Director / Company Secretary

pg-N2- 68

Welspun India Limited
Page 3 of 4

Appendix

To,
The Board of Directors
Welspun India Limited,
Welspun House, 6th Floor,
Kamala City, Senapati Bapat Marg
Lower Parel,
Mumbai - 400013

1. This Certificate is issued in accordance with the terms of the Master Engagement Agreement (the "MEA") dated October 27, 2017 and the Service scope letter (the "SSL") dated September 14, 2018 with Welspun India Limited.
2. At the request of the management of the Welspun India Limited (the "Company" or "WIL"), we have examined the accounting treatment specified in clause 7 of the proposed Scheme of amalgamation between Prasert Multiventure Private Limited and Welspun India Limited and their respective shareholders and creditors (hereinafter referred to as "Scheme") required by the Company as part of its filing the scheme with National Company Law Tribunal ("NCLT") as per the requirements of the Companies Act, 2013; is prepared by the Company and initialed by us for identification purpose only.

Managements' Responsibility

3. The responsibility for the preparation of the Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies Involved in the Scheme. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditor's Responsibility

4. Pursuant to the requirements of Act, our responsibility is to express reasonable assurance in the form of an opinion based on our examination and according to information and explanations given to us as to whether the accounting treatment contained in the proposed Scheme is in compliance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).
5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.



For Welspun India Limited

Director / Company Secretary

Pg. No - 69

Welspun India Limited

Page 4 of 4

6. A reasonable assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the reporting criteria. Accordingly, we have performed the following procedures in relation to the Certificate:

- i. Read the accounting treatment specified in clause 7 of the proposed scheme.
- ii. Validated the accounting treatment as specified in clause 7 of the aforesaid proposed scheme and noted the same is in compliance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

Restriction on Use

This report along with the appendix has been issued at the specific request of the management of the Company in order to be appended as part of scheme documents to be submitted to NCLT and is not to be used, referred to or distributed for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **SRBC & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per Anil Jobanputra

Partner

Membership Number: 110759

Place of Signature: Mumbai

Date: 21 September 2018

For **Welspun India Limited**
Director / Company Secretary

Pg. No. - 70

SCHEME OF AMALGAMATION
OF
PRASERT MULTIVENTURE PRIVATE LIMITED ("THE TRANSFEROR COMPANY")
WITH
WELSPUN INDIA LIMITED ("THE TRANSFeree COMPANY")
AND
THEIR RESPECTIVE SHAREHOLDERS & CREDITORS

PREAMBLE

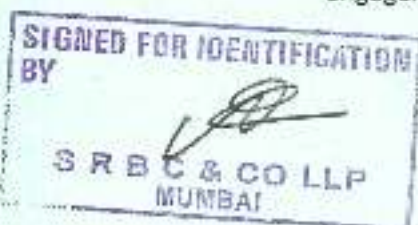
This Scheme of Amalgamation is presented under Sections 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 for amalgamation of Prasert Multiventure Private Limited ("the Transferor Company") with Welspun India Limited ("the Transferee Company"). The equity shares of Welspun India Limited are listed on the BSE Limited and The National Stock Exchange of India Limited.

RATIONALE FOR THE SCHEME

Prasert Multiventure Private Limited forms part of the Promoter Group of Welspun India Limited. It presently holds 67,90,78,913 equity shares in Welspun India Limited representing about 67.59% of the total paid up share capital.

It is proposed to amalgamate the Transferor Company into the Transferee Company by this Scheme, as a result of which the shareholders of the Transferor Company viz. the promoter group of the Transferor Company (who are also part of the promoter group of the Transferee Company) shall directly hold shares in the Transferee Company and the following benefits shall, inter alia, accrue to the Companies:

- a) The amalgamation will result in the promoter group of the Transferor Company directly holding shares in the Transferee Company, which will lead not only to simplification of the shareholding structure and reduction of shareholding tiers of the Transferee Company but also demonstrate the promoter group's direct commitment to and engagement with the Transferee Company;



- b) The 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 promoters would continue to hold the same percentage of shares in the Transferee Company, pre and post the amalgamation. There would also be no change in the financial position of the Transferee Company. All cost, charges and expenses relating to the Scheme would be borne out of the assets (other than shares of the Transferee Company) of the Transferor Company. Any expense, exceeding the assets of the Transferor Company would be borne by the shareholders of the Transferor Company directly;
- d) Further, the Scheme also provides that the shareholders of the Transferor Company shall indemnify the Transferee Company and keep the Transferee Company indemnified for liability, claim, demand, if any, and which may devolve on the Transferee Company on account of this amalgamation;
- e) Currently, Transferee Company is one layer of subsidiary of the Transferor Company. Any acquisition(s) by the Transferee Company involving more than one layer of Indian subsidiaries would be impermissible having regard to the provisions of section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017. To rationalize the current structure of the Transferee Company, it is proposed to amalgamate the Transferor Company into the Transferee Company.

Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme for the transfer and vesting of all the assets of the Transferor Company with and into the Transferee Company pursuant to the provisions of Sections 230-232 and other relevant provisions of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof).



Pg. No - 72

PARTS OF THE SCHEME:

The Scheme is divided into the following parts:

PART A	Deals with the definitions and share capital
PART B	Deals with amalgamation of the Transferor Company with the Transferee Company
PART C	Deals with general terms and conditions.

PART A - DEFINITIONS & SHARE CAPITAL

1. DEFINITIONS

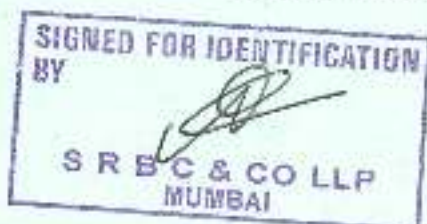
In this Scheme (as defined hereinafter), unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 1.1 "Act" or "the Act" means the Companies Act, 2013, the rules and regulations made thereunder and will include any statutory modifications, amendments or re-enactment thereof for the time being in force;
- 1.2 "Appointed Date" means 16th August 2018;
- 1.3 "Appropriate Authority(ies)" means and includes any governmental, statutory, departmental or public body or authority, including SEBI, Stock Exchanges, Registrar of Companies and the NCLT;
- 1.4 "Board" or "Board of Directors" means the Board of Directors of the Transferor Company or of the Transferee Company as the context may require and shall, unless it be repugnant to the context or otherwise, include a committee of directors or any person(s) authorized by the Board of Directors or such committee of Directors;
- 1.5 "Effective Date" means the date on which the conditions specified in Clause 18 of this scheme are complied with;



- 1.6 "Record Date" means the date fixed by the Board of Directors or committee thereof, if any, of the Transferee Company for the purpose of determining the members of the Transferor Company to whom New Equity Shares will be allotted pursuant to this Scheme;
- 1.7 "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation in its present form as submitted with the NCLT or this Scheme with any modification(s) made under Clause 17 of the Scheme;
- 1.8 "SEBI" means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- 1.9 "Stock Exchanges" means BSE Limited, The National Stock Exchange of India Limited and any other stock exchange(s);
- 1.10 "Transferee Company" or "WIL" means Welspun India Limited (CIN: L17110GJ1985PLC033271), a company incorporated under the Companies Act, 1956 and having its registered office at Welspun City, Village Versamedi, Anjar, Gujarat-370110;
- 1.11 "Transferor Company" or "PMPL" means Prasert Multiventure Private Limited (CIN: U51901GJ2017PTC100255), a company incorporated under the Companies Act, 2013 and having its registered office at Survey No 76, Village Morai, Vapi, Dist. Valsad, Gujarat-396191;
- 1.12 "Tribunal" or "the NCLT" means the National Company Law Tribunal, Ahmedabad Bench.

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.



2. DATE OF TAKING EFFECT AND OPERATIVE DATE

- 2.1 The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT or made as per Clause 17 of the Scheme, shall be effective and operative from the Effective Date.
- 2.2 Any reference in this Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" or "upon the coming into effect of the Scheme" shall mean the Effective Date.

3. SHARE CAPITAL

- 3.1 The share capital of the Transferor Company as on 31st March, 2018 is as under:

Particulars	Amount in Rs.
Authorized Share Capital	
50,000 Equity Shares of Rs. 10 each	5,00,000
Total	5,00,000
Issued, Subscribed and Paid-up Share Capital	
50,000 Equity Shares of Rs. 10 each	5,00,000
Total	5,00,000

Subsequent to 31st March, 2018 and till the date of approval of the Scheme by the Board of Directors of the Transferor Company, there has been no change in the issued, subscribed and paid-up share capital of the Transferor Company.

- 3.2 The share capital of the Transferee Company as on 31st March, 2018 is as under:

Particulars	Amount in Rs.
Authorized Share Capital	
155,50,00,000 Equity shares of Re. 1 each	155,50,00,000
Total	155,50,00,000
Issued Share Capital	
100,47,25,150 Equity shares of Re. 1 each	100,47,25,150
Subscribed and Paid-up Share Capital	
100,47,25,150 Equity shares of Re. 1 each	100,47,25,150
Total	100,47,25,150

Subsequent to 31st March, 2018 and till the date of approval of the Scheme by the Board of Directors of the Transferee Company, there has been no change in the issued, subscribed and paid-up share capital of the Transferee Company.

Further, the Transferor Company holds 67,90,78,913 equity shares of Re. 1 each fully paid up in the Transferee Company, representing about 67.59% of the total paid up share capital of the Transferee Company.

PART B - AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY

4. TRANSFER AND VESTING

4.1. With effect from the Appointed Date, the business of the Transferor Company including its properties and assets (whether movable tangible or intangible) of whatsoever nature including investments, shares, debentures, securities, loans and advances, licenses, permits, approvals, lease, tenancy rights, titles, permissions, if any, benefits of tax relief including under the Income-tax Act, 1961 such as credit for advance tax, taxes deducted at source, minimum alternate tax and all other rights, title, interest, contracts, consent, approvals or powers of every kind, nature and descriptions whatsoever shall under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the NCLT or any other Appropriate Authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, shall stand transferred to and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company.

4.2. Without prejudice to Clause 4.1, all movable assets including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any government, quasi-government, local or other authority or body or with any company or other person, the same shall, on and from the Appointed Date, stand transferred to and vested in Transferee Company without any notice or other intimation to the debtors (although Transferee Company may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debt, loan, advance, balance or



deposit stands transferred and vested in Transferee Company) subject to existing charges or *lis pendens*, if any thereon.

- 4.3. The liabilities shall also, without any further act, instrument or deed be transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of Sections 230 to 232 of the Act, so as to become the liabilities of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen, in order to give effect to the provisions of this Clause.
- 4.4. This 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 inconsistent with the provisions of Section 2(1B) of the Income-tax Act, 1961, the provisions of Section 2(1B) of the Income-tax Act, 1961 shall to the extent of such inconsistency prevail and the Scheme shall stand modified to that extent to comply with Section 2(1B) of the Income-tax Act, 1961; such modification to not affect other parts of the Scheme.
- 4.5. Pursuant to the Scheme becoming effective, Transferee Company shall, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangement with any party to any contract or arrangement to which the Transferor Company is a party in order to give formal effect to the above provisions. The Transferee Company shall 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 part of the Transferor Company.

5. CONSIDERATION

- 5.1 Upon this Scheme becoming effective and upon amalgamation of the Transferor Company into the Transferee Company in terms of this Scheme, the Transferee Company shall, without any application, act or deed, issue and allot equity shares, credited as fully paid up, to the extent indicated below, to the members of the Transferor Company holding fully paid-up equity shares of the Transferor Company and whose names appear in the register of



members of the Transferor Company as on the Record Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferor Company / Transferee Company in the following proportion:

"67,90,78,913 fully paid up equity share of Re. 1 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"

(Equity shares to be issued by the Transferee Company as above are referred to as "New Equity Shares").

- 5.2 The Transferor Company holds 67,90,78,913 equity shares of the Transferee Company and pursuant to the amalgamation, the Transferee Company shall issue the same number of New Equity Shares i.e. 67,90,78,913 to the equity shareholders of the Transferor Company. In the event the Transferor Company holds more than 67,90,78,913 fully paid up equity shares of the Transferee Company (without incurring any additional liability) on the Record Date, New Equity Shares to be issued by the Transferee Company to the shareholders of the Transferor Company shall stand increased by such additional number of equity shares held by the Transferor Company.
- 5.3 The New Equity Shares to be issued to the members of the Transferor Company as per clause 5.1 above shall be subject to the Memorandum of Association and Articles of Association of the Transferee Company. The New Equity Shares shall rank *pari-passu* in all respects, including dividend, with the existing equity shares of Transferee Company.
- 5.4 In respect of fractional entitlement to a shareholder, shall be rounded off to the nearest integer. A fraction of less than half shall be rounded down to the nearest lower integer and a fraction of half or more shall be rounded up to the nearest higher integer. However, in no event, shall the number of New Equity Shares to be allotted by the Transferee Company to the members of the Transferor Company exceed the number of equity shares held by the Transferor Company in the Transferee Company on the Effective Date.
- 5.5 The investment held by the Transferor Company in the equity share capital of the Transferee Company shall, without any further application, act, instrument or deed stand cancelled, and



further the shares held by the Transferor Company in dematerialized form shall be extinguished, on and from such issue and allotment of New Equity Shares.

- 5.6 The New Equity Shares to be issued and allotted by the Transferee Company to the shareholders of the Transferor Company shall be issued in dematerialized form.
- 5.7 The New Equity Shares of the Transferee Company shall be listed and/ or admitted to trading on the Stock Exchanges on which the existing equity shares of the Transferee Company are listed at that time. The Transferee Company shall enter into such arrangements and give such confirmation and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchanges.
- 5.8 The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment by Transferee Company of New Equity Shares to the members of the Transferor Company under the Scheme.
- 5.9 The approval of this Scheme by the members of the Transferee Company shall be deemed to be due compliance with the applicable provisions of the Act including Section 42 and 62 of the Act, for the issue and allotment of New Equity Shares by the Transferee Company to the members of the Transferor Company, as provided in the Scheme.

6. CANCELLATION OF EQUITY SHARES OF THE TRANSFEE COMPANY HELD BY THE TRANSFEROR COMPANY

- 6.1 Upon the Scheme becoming effective, the issued, subscribed and paid up share capital of WIL, to the extent of the shares held by PMPL in WIL, shall be automatically cancelled and reduced in terms of section 66 of the Act.
- 6.2 The said cancellation shall result in reduction of capital under section 66 of the Act. However, since the aforesaid reduction is consequential and is proposed as an integral part of the Scheme, the Transferee Company shall not be required to undertake separate procedure under section 66 of the Act. Further, as the aforesaid reduction does not result in either diminution of liability in respect of unpaid share capital or payment to any



Pg. No. - 79

shareholder of any paid-up share capital, the provisions of section 66 of the Act shall not be applicable. The order of the NCLT sanctioning the scheme shall be deemed to be the order under section 66 of the Act for the purpose of confirming reduction. Further, the Transferee Company shall not be required to add "and reduced" as a suffix to its name consequent upon such reduction

7. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEEE COMPANY

The Transferee Company shall account for the amalgamation in its books as per the accounting principles generally accepted in India, including the Indian Accounting Standards (IndAS) prescribed under Section 133 of the Act and the accounting treatment prescribed below, to the extent consistent with IndAS. Upon the Scheme becoming effective, the Transferee Company shall account for the amalgamation in its books as under –

- 7.1. All the assets and liabilities appearing in the books of accounts of the Transferor Company shall be recorded by the Transferee Company at their respective carrying values as appearing in the books of the Transferor Company.
- 7.2. The equity shares of the Transferee Company held by the Transferor Company shall stand cancelled in accordance with Clause 6.1 of the Scheme and as a result equivalent equity share capital of the Transferee Company and the book value of investments held by the Transferor Company in the Transferee Company shall also stand cancelled.
- 7.3. The face value of New Equity Shares issued by the Transferee Company to the shareholders of the Transferor Company pursuant to Clause 5.1 above shall be credited to the Equity Share Capital Account of the Transferee Company.
- 7.4. The difference, if any, of the value of assets over the value of liabilities transferred to the Transferee Company, after providing for adjustments as stated above and the face value of New Equity Shares issued by the Transferee Company shall be recognized as Capital Reserves in the books of the Transferee Company.



8. **COMBINATION OF AUTHORIZED SHARE CAPITAL**

- 8.1. Upon the Scheme becoming effective, the authorized share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to Registrar of Companies, by the authorized share capital of the Transferor Company as on the Effective Date. Further, post such increase authorized share capital of the Transferee Company shall be re-classified as follows:

Particulars	Amount in Rs.
Authorized Share Capital	
155,55,00,000 Equity shares of Re. 1 each	155,55,00,000
Total	155,55,00,000

- 8.2. Consequently, the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme, whether at a meeting or otherwise, shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 13, 14 and 61 of the Act and other applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duties and fees paid on the authorized share capital of the Transferor Company shall be utilized and applied to the increase and reclassification of authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase and reclassification in the authorized share capital to that extent.

- 8.3. It is clarified that the approval of the members of the Transferee Company to the Scheme, whether at a meeting or otherwise, shall be deemed to be their consent/approval also to the amendment of the Memorandum of Association of the Transferee Company as may be required under the Act.



Pf. No - 81

9. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

With effect from the Appointed Date and upto and including the Effective Date:

- 9.1. The Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets pertaining to business of the Transferor Company for and on account of and in trust for the Transferee Company. The Transferor Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.
- 9.2. The Transferor Company shall not, except in the ordinary course of business or without prior written consent of the Transferee Company alienate charge, mortgage, encumber or otherwise deal with or dispose of any of its properties or part thereof of the Transferor Company.
- 9.3. Any income accruing or arising to the Transferor Company shall for all purposes be treated and deemed to be in profits or income of the Transferee Company.
- 9.4. With effect from the Appointed Date and upto and including the Effective Date, in the event the Transferee Company distributes dividend (including interim dividend) or issues bonus shares or offers right shares to its members, the Transferor Company shall be entitled to receive such dividend and bonus shares, and subscribe to such rights shares offered by the Transferee Company.
- 9.5. Until the Effective Date, the Transferor Company may utilize its income/available cash, if any, for meeting its expenses in the ordinary course of business or for the purpose specified in the scheme.
- 9.6. Until the Effective Date, the holders of shares of the Transferor Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under the Articles of Association of the Transferor Company including the right to receive dividends.



10. EMPLOYEES

- 10.1. On the Scheme becoming effective all the employees, if any, of the Transferor Company shall become the employees of the Transferee Company, without any break or interruption in their services, on same terms and conditions on which they are engaged as on the Effective Date. The Transferee Company further agrees that for the purpose of payment of any retirement benefit / compensation, other terminal benefits, such immediate uninterrupted past services with the Transferor Company shall also be taken into account.
- 10.2. In relation to those employees of the Transferor Company for whom the Transferor Company are making contributions to the government provident fund, the Transferee Company shall stand substituted for such Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such employees of the Transferor Company.

11. LEGAL PROCEEDINGS

- 11.1. If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.
- 11.2. The Transferor Company has undertaken that there are no pending litigations or other proceedings of whatsoever nature by or against it.
- 11.3. In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated by or against the Transferor Company, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company. The shareholders of the Transferor Company shall indemnify the Transferee Company from any loss, liability, cost, charges and/or expenses arising due to any disputes or litigations as specified in Clause 13 below.

12. CONTRACTS, DEEDS, ETC.

12.1. Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance, letters of intent, undertakings, arrangements, policies, agreements of whatsoever nature pertaining to the Transferor Company to which the Transferor Company is party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

12.2. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes 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 Scheme.

13. INDEMNITY BY SHAREHOLDERS OF TRANSFEROR COMPANY

The shareholders of the Transferor Company shall indemnify and hold harmless the Transferee Company and its directors, officers, representatives, partners, employees and agents (collectively, the "Indemnified Persons") for losses, liabilities (including but not limited to income-tax liabilities), costs, charges, expenses (whether or not resulting from third party claims), including those paid or suffered pursuant to any actions, proceedings, claims and including interests and penalties discharged by the Indemnified Persons which may devolve on Indemnified Persons on account of amalgamation of the Transferor Company with the Transferee Company but would not have been payable by such Indemnified Persons otherwise, in the form and manner as may be agreed amongst the Transferee Company and the shareholders of the Transferor Company.



PS - No - 84

14. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities under Clause 4 above and the continuance of proceedings by or against the Transferor Company under Clause 11 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date (both days inclusive), to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

15. DISSOLUTION OF THE TRANSFEROR COMPANY

- 15.1. On the Scheme becoming effective, the Transferor Company shall stand dissolved automatically without winding up in accordance with the provisions of Section 230-232 of the Companies Act, 2013.
- 15.2. On and from the Effective Date, name of the Transferor Company shall be removed from the records of the Registrar of Companies and records relating to the Transferor Company shall be transferred and merged with the records of the Transferee Company.

PART C - GENERAL TERMS AND CONDITIONS

16. APPLICATION TO NCLT

The Transferor Company and the Transferee Company shall with all reasonable dispatch make all necessary applications under Sections 230-232 of the Act and other applicable provisions of the Act to the NCLT, within whose jurisdiction the registered offices of the Transferor Company and the Transferee Company are situated for sanctioning the Scheme.

17. MODIFICATION OR AMENDMENTS TO THE SCHEME

The Transferor Company and the Transferee Company by their respective Board of Directors, may assent to/make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the NCLT and/or any other statutory/regulatory authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e. the Board). The Transferor Company and the Transferee Company by their respective Board are authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any directive or orders of any other



authorities or otherwise howsoever, arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

18. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- 18.1. The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of the Transferor Company and the Transferee Company as may be directed by the NCLT or any other Appropriate Authority, as may be applicable;
- 18.2. The Scheme being approved by the "public" shareholders of the Transferee Company by way of e-voting in terms of Para (I)(A)(9)(a) of Annexure I of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017; provided that the same shall be acted upon only if the votes cast by the "public" shareholders in favor of the proposal are more than the number of votes cast by the "public" shareholders against it;
- 18.3. The sanction or approval of the Appropriate Authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required;
- 18.4. The sanction of the Scheme by the NCLT or any other authority under Sections 230 to 232 and other applicable provisions of the Act;
- 18.5. Authenticated / certified copy of the orders of the NCLT sanctioning the Scheme being filed with the Registrar of Companies by the Transferor Company and the Transferee Company.

19. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/ or the Scheme not being sanctioned by the NCLT or such other competent authority and / or the order not being passed as aforesaid before 31st December, 2019 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their respective Board of Directors



(and which the Board of Directors of the Companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated herein or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

20. COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in connection with and implementing this Scheme and matters incidental shall be borne by the Transferor Company and / or its shareholders.



Pg. No - 86