

**SCHEME OF AMALGAMATION**  
**OF**  
**ARROW REMEDIES PRIVATE LIMITED**  
**AND**  
**FAGRIS MEDICA PRIVATE LIMITED**  
**AND**  
**STRIDES EMERGING MARKETS LIMITED**  
**WITH**  
**STRIDES PHARMA SCIENCE LIMITED**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

**(UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013)**

## GENERAL

### **I. PURPOSE OF THE SCHEME**

This Scheme of Amalgamation provides for the amalgamation of Arrow Remedies Private Limited (formerly known as Lex. Pharma Private Limited) bearing CIN U33111MH2015FTC268380 ("Transferor Company 1" or "Amalgamating Company 1" or "Arrow Remedies"), Fagris Medica Private Limited bearing CIN U24230MH2008PTC271062 ("Transferor Company 2" or "Amalgamating Company 2" or "Fagris Medica"), Strides Emerging Markets Limited bearing CIN U24132KA2012PLC064214 ("Transferor Company 3" or "Amalgamating Company 3" or "SEML") (individually referred to as "Transferor Company" and together hereinafter referred to as "Transferor Companies" or "Amalgamating Companies") with Strides Pharma Science Limited bearing CIN L24230MH1990PLC057062 (formerly known as Strides Shasun Limited) ("Transferee Company" "Amalgamated Company" or "SPSL") pursuant to Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013, to the extent applicable.

### **II. BACKGROUND**

1. SPSL is a public limited company incorporated on 28<sup>th</sup> day of June 1990 under the provisions of the Companies Act, 1956, having its registered office at 201, Devavrata, Sector 17, Vashi, Navi Mumbai - 400 703, Maharashtra, India and Corporate Office at Strides House, Bilekahalli, Bannerghatta Road, Bangalore - 560 076, Karnataka, India. The equity shares of SPSL are listed on BSE Limited and National Stock Exchange of India Limited, in India. SPSL mainly operates in the regulated markets and has an 'in Africa, for Africa' strategy along with an Institutional Business to service donor-funded markets. SPSL's global manufacturing sites are located in India, Singapore, Italy, Kenya and United States, owned directly or through its subsidiaries. SPSL focuses on difficult to manufacture products that are sold in over 100 countries.
2. Arrow Remedies is a private limited company incorporated on 12<sup>th</sup> day of September 2015 under the provisions of the Companies Act, 2013, having its registered office at 201, Devavrata, Sector 17, Vashi, Navi Mumbai - 400 703,



Maharashtra, India. Arrow Remedies is engaged in providing support services to its group companies.

3. Fagris Medica is a private limited company incorporated on 4<sup>th</sup> day of September 2008 under the provisions of Companies Act, 1956, having its registered office at 201, Devavrata, Sector 17, Vashi, Navi Mumbai - 400 703, Maharashtra, India. Fagris Medica is mainly engaged in the business of marketing and commercializing of pharmaceutical products.
4. SEML was originally incorporated as a private limited company on 1<sup>st</sup> day of June 2012 under the provisions of Companies Act, 1956. It was converted into a public limited company on 15<sup>th</sup> day of November 2017. The registered office of the Company is situated at Strides House, Bilekahalli, Bannerghatta Road, Bangalore - 560 076, Karnataka, India. SEML is mainly engaged in the business of manufacturing and distribution of pharmaceutical products.

### III. RATIONALE FOR THE SCHEME

The Board of Directors (defined herein) of the Transferor Companies and the Transferee Company anticipate the following benefits pursuant to the amalgamation of the Transferor Companies into the Transferee Company:

1. Simplified management structure, leading to better administration and reduction in costs from more focused operational efforts, rationalization, standardization and simplification of business processes, elimination of duplication and optimize operational efficiency.
2. The amalgamation would lead to greater and efficient use of infrastructure facilities and optimum utilisation of the available resources.
3. Simplification of group structure by eliminating multiple companies within the group.

In view of the aforesaid, the Board of Directors of the Transferor Companies and the Transferee Company have considered the amalgamation of the entire Undertaking



(defined herein) of the Transferor Companies with and into the Transferee Company. Accordingly, the Board of Directors of the respective companies have formulated this Scheme of Amalgamation for the transfer and vesting of the entire Undertaking of the Transferor Companies with and into the Transferee Company, pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013, to the extent applicable and in compliance with the applicable provisions of the Income-tax Act, 1961.



#### IV. PARTS OF THE SCHEME

The Scheme is divided into following parts:

- (i) **Part A** - dealing with definitions of the terms used in this Scheme of Amalgamation and setting out the share capital of the Transferor Companies and the Transferee Company;
- (ii) **Part B** - dealing with the transfer and vesting of the Undertaking of the Transferor Companies into the Transferee Company;
- (iii) **Part C** - dealing with the consideration for the amalgamation;
- (iv) **Part D** - dealing with the accounting treatment in the books of the Transferee Company; and
- (v) **Part E** - dealing with the dissolution of the Transferor Companies and the general terms and conditions applicable to this Scheme of Amalgamation and other matters consequential and integrally connected thereto.



## PART A

### DEFINITIONS AND SHARE CAPITAL

#### 1. DEFINITIONS

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

- 1.1 “**Act**” means the Companies Act, 2013, and ordinances, rules and regulations made thereunder and shall include any statutory modifications, re-enactments or amendments thereof, from time to time.
- 1.2 “**Appointed Date**” means 1<sup>st</sup> day of April 2019, or such other date as the NCLT or such other competent authority may direct/ fix in relation to amalgamation of the Transferor Company 1, the Transferor Company 2 and the Transferor Company 3 into the Transferee Company.
- 1.3 “**Board of Directors**” or “**Board**” means the board of directors of any of the Transferor Companies or the Transferee Company or collectively the board of directors of the Transferor Companies and the Transferee Company, as the case may be, and shall include any committee(s) constituted/ to be constituted by the board of directors of the Transferor Companies and the Transferee Company or any committee.
- 1.4 “**Effective Date**” or the “**Scheme coming into effect**” or the “**coming into effect of this Scheme**” means the last of the dates on which the certified true copy of the order of the NCLT, sanctioning the Scheme, are filed with the Registrar of Companies, Mumbai, by the Transferor Company 1, the Transferor Company 2 and the Transferee Company and filed with the Registrar of Companies, Bangalore by the Transferor Company 3.
- 1.5 “**Government Authority**” means the Central Government, any applicable State or local Government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction or any other country including the



Registrar of Companies, Regional Director, Stock Exchanges, Securities and Exchange Board of India and such other regulators or authorities, as may be applicable.

- 1.6 “NCLT” means the National Company Law Tribunal, Mumbai Bench within whose jurisdiction the registered offices of the Transferor Company 1, the Transferor Company 2 and the Transferee Company are situated and the National Company Law Tribunal, Bengaluru Bench within whose jurisdiction the registered office of the Transferor Company 3 is situated.
- 1.7 “Scheme” or “the Scheme” or “this Scheme” means this Scheme of Amalgamation in its present form or with any modification(s) made under Clause 17 of this Scheme, as approved or directed by the NCLT or any other appropriate authority.
- 1.8 “Transferee Company” or “Amalgamated Company” or “SPSL” means Strides Pharma Science Limited (formerly known as Strides Shasun Limited) (CIN: L24230MH1990PLC057062), a public limited company, incorporated under the Companies Act, 1956, and having its registered office situated at 201, Devavrata, Sector 17, Vashi, Navi Mumbai - 400 703, Maharashtra, India.
- 1.9 “Transferor Companies” or “Amalgamating Companies” collectively means the Transferor Company 1, the Transferor Company 2 and the Transferor Company 3.
- 1.10 “Transferor Company 1” or “Amalgamating Company 1” or “Arrow Remedies” means Arrow Remedies Private Limited (formerly known as Lex. Pharma Private Limited) (CIN: U33111MH2015FTC268380), a private limited company, incorporated under the Companies Act, 2013 and having its registered office at 201, Devavrata, Sector 17, Vashi, Navi Mumbai - 400703, Maharashtra, India.
- 1.11 “Transferor Company 2” or “Amalgamating Company 2” or “Fagris Medica” means Fagris Medica Private Limited (CIN: U24230MH2008PTC271062), a private limited company, incorporated under the Companies Act, 1956, and having its registered office at 201, Devavrata, Sector 17, Vashi, Navi Mumbai - 400 703, Maharashtra, India.
- 1.12 “Transferor Company 3” or “Amalgamating Company 3” or “SEML” means Strides Emerging Markets Limited (formerly known as Strides Emerging Markets Private



Limited) (CIN: U24132KA2012PLC064214), a public limited company, incorporated under the Companies Act, 1956, and having its registered office at Strides House, Bilekahalli, Bannerghatta Road, Bangalore - 560 076, Karnataka, India.

1.13 **“Undertaking”** shall mean and include the whole of the undertaking of Transferor Company 1, Transferor Company 2 & Transferor Company 3 respectively, as a going concern, including entire business and properties of the Transferor Companies as on the Appointed Date, including (without limitation) in particular:

- (a) all assets, properties, rights, titles, benefits and interests of whatsoever nature and kind and where-so-ever situated in India and outside India, whether moveable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, freehold or leasehold, non-current or current, present or contingent, including but not limited to land & buildings, roads, drains, civil works, warehouses, structures, plants & machineries, furniture and fixtures, office equipment, appliances, accessories, computers & telecommunication equipment, laptops, computer hardware, software and programs, tools, processes, applications, methodologies, office automation, multimedia, capital work-in-progress, vehicles, sundry debtors, cash & bank balances, loans & advances, earnest moneys and/or security deposits, deposits, inventories, bills of exchange, peripherals and accessories, receivables, investments, funds, goodwill, investment in shares, debentures, bonds, mutual funds or any other securities, contingent rights and benefits, intangible assets, intangible assets under development, export benefits and entitlements, tax credits (including but not limited to Minimum Alternate Tax (“MAT”) credit entitlements, Modified Value Added Tax (“MODVAT”) / Central Value Added Tax (“CENVAT”), Service tax / Value Added Tax (“VAT”) credits, Goods and Service Tax (“GST”) Credits, etc.), tax incentives, tax concessions, tax losses, unabsorbed tax depreciation, advance taxes, deferred tax assets and tax refunds;
- (b) all the registrations, permits, approvals, quotas, rights, entitlements, applications, agreement to manufacture or sell, industrial and other licences, no objection, exemptions, subsidies, tax deferrals, concessions, claims, incentives, subsidies, approvals, authorisations, consents, credits, tenancies,





dossiers, domain names, drug master files, special status, trade secrets, research and studies, confidential information, privileges, insurance cover of every description, goodwill, trademarks, patents, copyrights, marketing authorisation, marketing rights, dossiers, all intellectual property rights and licences thereunder, applications for copyrights, patents, tradenames, trademarks, marketing intangibles, technical know-how, permits, designs, patterns, inventions, benefits of security arrangements, hire purchase, leasehold rights, leases, tenancy rights privileges, all other rights, benefits and entitlements including lease rights (including the benefit of any applications made thereof), powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections, e-mail connections, communication facilities and installations, utilities, electricity, water and other services, provisions, funds, benefits of all agreements, contracts and arrangements including but not limited to contracts entered into with vendors, customers and service providers, benefits under letter of credit, guarantees, letters of comfort, maintenance contracts, memorandum of understanding, memorandum of undertakings, memorandum of agreements, memorandum of agreed points, bids, tenders, tariff policies, expression of interest, letter of intent, hire and purchase agreements, power purchase agreements, lease/ license agreements, tenancy rights, agreements/ panchanamas for right of way, equipment purchase agreements etc. issued for the benefit of the company, benefits under government schemes, deferred tax benefits and other benefits accruing on account of past expenditure and all such other interests / benefits;

- (c) all books, records, files, papers, engineering and process information, manuals, data, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customer credit information, customer pricing information and all other books and records, whether in physical or electronic form;
- (d) all the debts, secured and unsecured loans, liabilities (including tax liabilities), losses responsibilities, obligations and duties; and



(e) all employees, directly or indirectly, engaged by the Transferor Companies.

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. SHARE CAPITAL

### 2.1 Arrow Remedies, the Transferor Company 1

The share capital of Arrow Remedies, the Transferor Company 1, as at March 31, 2019, is as follows:

Authorised Share Capital	Amount (Rs.)
10,000 equity shares of Rs. 10/- each	1,00,000
Issued, Subscribed and Paid-up Share Capital	Amount (Rs.)
10,000 equity shares of Rs. 10/- each, fully paid up	1,00,000

The entire paid-up share capital of the Transferor Company 1 is held by the Transferee Company and its nominee.

### 2.2 Fagris Medica, the Transferor Company 2

The share capital of Fagris Medica, the Transferor Company 2, as at March 31, 2019, is as follows:

Authorised Share Capital	Amount (Rs.)
1,605,000 equity shares of Rs. 10/- each	16,050,000
5,000 6% Redeemable Non-cumulative Preference Shares of Rs. 10/- each	50,000
<b>Total</b>	<b>16,100,000</b>
Issued, Subscribed and Paid-up Share Capital	Amount (Rs.)
1,040,000 equity shares of Rs. 10/- each, fully paid up	10,400,000



The entire paid-up share capital of the Transferor Company 2 is held by the Transferee Company and its nominee.

2.3 **SEML, the Transferor Company 3**

The share capital of SEML, the Transferor Company 3, as at March 31, 2019, is as follows:

<b>Authorised Share Capital</b>	<b>Amount (Rs.)</b>
10,000,000 equity shares of Rs. 10/- each	100,000,000
<b>Issued, Subscribed and Paid-up Share Capital</b>	<b>Amount (Rs.)</b>
5,626,562 equity shares of Rs. 10/- each, fully paid-up	56,265,620

The entire paid-up share capital of the Transferor Company 3 is held by Strides Pharma (Cyprus) Limited (“SPCL”) bearing Registration No. HE 258780, a company incorporated under the laws of Cyprus, an indirect wholly-owned subsidiary of the Transferee Company, and its nominees. 30

2.4 **Strides Pharma Science Limited, Transferee Company**

The share capital of Strides Pharma Science Limited, the Transferee Company as at March 31, 2019, is as follows:

<b>Authorised Share Capital</b>	<b>Amount (Rs.)</b>
176,750,000 equity shares of Rs. 10/- each	1,767,500,000
<b>Issued, Subscribed and Paid-up Share Capital</b>	<b>Amount (Rs.)</b>
89,549,476 equity shares of Rs. 10/- each, fully paid up	895,494,760

2.5 The equity shares of the Transferee Company are listed on National Stock Exchange of India Limited and BSE Limited in India. The shares of the Transferor Companies are not listed on any stock exchange, whether in India or in any other country.



3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set-out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT or any other appropriate authority shall take effect on the Effective Date and shall be operative as of the Appointed Date.



## PART B

### TRANSFER AND VESTING OF UNDERTAKING OF THE TRANSFEROR COMPANIES INTO THE TRANSFEREE COMPANY

#### 4. TRANSFER AND VESTING OF UNDERTAKING

- 4.1 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the entire business and Undertaking of the Transferor Company 1, Transferor Company 2 & Transferor Company 3 respectively, including all the debts, liabilities, losses, duties and obligations, including those arising on account of taxation laws and other allied laws, of the Transferor Companies of every description and also including, without limitation, all the movable and immovable properties and assets (whether tangible or intangible) of the Transferor Companies comprising, amongst others, all freehold lands, leasehold lands, buildings, plants, machineries, investments, motor vehicles, receivables, actionable claims, furniture and fixtures, laptops, computers, office equipment, electrical installations, generators, containers, telephones, telex, facsimile and other communication facilities and business licenses, permits, deposits, authorisations, all government and regulatory approvals, insurance cover of every description, leases, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-hows, trademarks, service marks, trade secrets, brands, registrations, product licenses, marketing authorisations and other intellectual property rights and intangibles, proprietary rights, marketing rights, titles, interests, contracts including but not limited to contracts entered into with customers, vendors and service providers, consents, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall, under the provisions of Sections 230 to 232 of the Act and other relevant provisions to the Act to the extent applicable and pursuant to the order of the NCLT, sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the properties, assets, rights, business and Undertaking(s) of the Transferee Company.



- 4.2 Without prejudice to the generality of Clause 4.1 above, in respect of the assets of the Transferor Companies, including cash and bank balances, as are movable in nature or are otherwise capable of transfer by manual delivery, by paying over or by endorsement and delivery or otherwise, the same shall be so transferred by the Transferor Companies to the Transferee Company, without requiring any deed or instrument of conveyance for the same and shall become the property of the Transferee Company as an integral part of the assets of the Transferee Company, with effect from the Appointed Date.
- 4.3 Without prejudice to the generality of Clause 4.1 above, upon the Scheme coming into effect and with effect from the Appointed Date, all debts, liabilities, duties and obligations of the Transferor Companies as on the Appointed Date whether provided for or not in the books of account of the Transferor Companies and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period prior to the Appointed Date, shall be the debts, liabilities, duties and obligations of the Transferee Company including any encumbrance on the assets of the Transferor Companies or on any income earned from those assets.
- 4.4 With effect from the Appointed Date, all inter-party transactions among the Transferor Companies and between the Transferor Companies and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.
- 4.5 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due among the Transferor Companies and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations with effect from the Appointed Date.
- 4.6 All existing securities, mortgages, charges, liens or other encumbrances, if any, as on the Appointed Date and created by the Transferor Companies after the Appointed Date, over the properties and other assets comprised in the Undertaking(s) or any part



thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such securities, mortgages, charges, liens or other encumbrances secure or relate to liabilities of the Transferor Companies, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such securities, mortgages, charges, liens or encumbrances shall not relate or attach to any of the other assets of the Transferee Company, provided however that no encumbrances shall have been created by the Transferor Companies over its assets after the date of filing of the Scheme, without the prior written consent of the Board of Directors of the Transferee Company, except for those done in the normal course of business.

- 4.7 The existing encumbrances over the properties and other assets of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Companies transferred to and vested in the Transferee Company by virtue of this Scheme. The Transferee Company shall not be liable to create additional charge or encumbrances on its properties for the liabilities and obligations of the Transferor Companies as on the Appointed Date and taken over by the Transferee Company.
- 4.8 It is expressly provided that, save as herein provided, no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.
- 4.9 With effect from the Appointed Date, all statutory licences, registrations, incentives, tax deferrals and benefits, tax incentives, carry-forward of tax losses, unabsorbed tax depreciation, tax credits, tax refunds, MAT credit entitlement, if any, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, permissions, approvals or consents to carry on the operations of the Transferor Companies, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Companies and all rights and benefits that have accrued or which may accrue to the Transferor Companies, whether before or after the Appointed Date,



shall stand vested in or transferred to the Transferee Company, pursuant to the Scheme, without any further act or deed and shall remain valid, effective and enforceable on the same terms and conditions and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company upon the vesting and transfer of the Undertaking(s) of the Transferor Companies pursuant to this Scheme.

4.10 The Transferee Company shall have the powers to reopen and restate the financial statements filed with the Government Authority in relation to the Transferor Companies. The approval of the NCLT/ any other statutory authority to this Scheme, shall be sufficient for the purpose of effecting the reopening/ restating the financial statements under the Act.

4.11 The amalgamation of the Transferor Companies with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance and compliance with Section 2(1B) of the Income-tax Act, 1961.

5. **STAFF, WORKMEN & EMPLOYEES**

5.1 On the Scheme becoming effective, all staff, workmen and employees of the Transferor Companies in service on the Effective Date shall be deemed to have become staff, workmen and employees of the Transferee Company with effect from the Appointed Date or the date of joining whichever is later, without any break or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company (i.e. cost-to-company basis, in monetary terms) shall not be less favourable than those applicable to them with reference to their employment with the Transferor Companies on the Effective Date.

5.2 It is expressly provided that, on the Scheme becoming effective, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the staff, workmen and employees of the Transferor Companies shall become trusts/ funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance





with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Companies in relation to such fund or funds shall become those of the Transferee Company. It is clarified that, for the purpose of the said fund or funds, the services of the staff, workmen and employees of the Transferor Companies will be treated as having been continuous with the Transferee Company from the date of employment as reflected in the records of the Transferor Companies.

- 5.3 The provident fund, gratuity fund, and superannuation fund dues, if any, of the employees of the Transferor Companies, subject to the necessary approvals and permissions and at the discretion of the Transferee Company either be continued as a separate fund of the Transferee Company for the benefit of the employees or be transferred to and merged with the similar funds of the Transferee Company. The Transferee Company shall continue to make contributions into the provident fund accounts of employees maintained under the registration of the Transferor Companies, till such time the accounts are transferred under the registration of the Transferee Company. The Transferee Company shall also continue to make contributions to the gratuity fund and superannuation fund maintained by the Transferor Companies, till the date of completion of the transition. Post completion of the transition, the Transferee Company shall continue to make the contributions into the provident fund, gratuity fund and superannuation fund, as applicable, relating to the employees of the Transferor Companies.

6. LEGAL PROCEEDINGS

If any suit, appeal or other proceeding of whatever nature by or against the Transferor Companies are pending, including those arising on account of taxation laws and other allied laws, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the arrangement by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, and enforced by or against the Transferee Company, in the same manner and to the same extent as it would or might have been continued, and enforced by or against the Transferor Companies, as if this Scheme had not been made.



7. CONTRACTS, DEEDS, ETC., AND POWER TO GIVE EFFECT TO THIS PART

7.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, licences, permits, registrations, approvals and other instruments, if any, of whatsoever nature to which the Transferor Companies is a 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 Companies, the Transferee Company had been a party thereto, notwithstanding the terms contained in such contracts, deeds, bonds, agreements, licences, permits, registrations, approvals and other instruments.

7.2 The Transferee Company shall enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novation, to which the Transferor Companies will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Companies and to implement or carry out all formalities required on the part of the Transferor Companies to give effect to the provisions of this Scheme.

7.3 All cheques and other negotiable instruments and payment orders received in the name of the Transferor Companies after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company. Similarly, the banker of the Transferee Company shall honour cheques issued by the Transferor Companies for payment on or after the Appointed Date and presented after the Effective Date.

8. TAXATION MATTERS

8.1 Upon the Scheme becoming effective, all taxes payable including litigated amount, if any, or any tax credit/ refunds eligible for claim by the Transferor Companies under the Income-tax Act, 1961, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax Laws, Central Sales Tax Act, 1956, Service Tax, applicable State VAT Laws, Goods and Services Tax Act, 2017, Tax on Profession, Trade, Calling and Employment Act or other



applicable laws/ regulations dealing with taxes/ duties/ levies (hereinafter referred to as "Tax Laws") shall be transferred to the account of the Transferee Company. Similarly, all credits for tax deduction at source on income of the Transferor Companies, or obligation for deduction of tax at source on any payment made by or to be made by the Transferor Companies shall be made or deemed to have been made and duly complied with by the Transferee Company if so made by the Transferor Companies. Similarly, any advance tax payment or any other tax payments required to be made for by the specified due dates in the Tax Laws shall also be deemed to have been made by the Transferee Company if so made by the Transferor Companies. Further, the MAT paid by the Transferor Companies under Section 115 JB and/ or other provisions (as applicable) of the Income-tax Act, 1961, shall be deemed to have been paid on behalf of the Transferee Company, and the Minimum Alternate Tax credit (if any) of the Transferor Companies as on or accruing after the Appointed Date shall stand transferred to the Transferee Company and such credit would be available for set-off against the tax liabilities of the Transferee Company. Any refunds under the Tax Laws due to the Transferor Companies consequent to the assessments made on the Transferor Companies 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.

- 8.2 All taxes of any nature, duties, cesses or any other like payments or deductions made by the Transferor Companies or any of its agents to any statutory authorities such as income tax, Sales tax, Service tax, Goods and Services Tax or any tax deduction/ collection at source, tax credits under the Tax Laws, relating to the period after the Appointed Date 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 Effective Date and upon relevant proof and documents being provided to the said authorities. The Transferee Company would be eligible to file revised/ consolidated statutory returns (including but not limited to the return under the Income-tax Act, 1961), on approval of this scheme, notwithstanding the statutory due date under the applicable laws.
- 8.3 The Transferee Company shall be entitled to tax benefits under section 72A or any other provisions of the Income-tax Act, 1961 towards brought forward losses and unabsorbed depreciation of the Transferor Company 3, if any, from the taxable profits



of the Transferee Company with effect from the Appointed Date. The Transferee Company shall continue to enjoy the tax benefits/ concessions provided to the Transferor Companies through notifications/ circulars issued by the Government Authorities from time to time.



## PART C

### CONSIDERATION FOR AMALGAMATION

#### 9. CONSIDERATION FOR AMALGAMATION OF THE TRANSFEROR COMPANIES

9.1 The entire share capitals of the Transferor Company 1, the Transferor Company 2 and the Transferor Company 3 are held, either directly or through its indirect wholly-owned subsidiaries, by the Transferee Company and its nominee(s). Upon this Scheme becoming effective, as the Transferee Company is the ultimate holding company of the Transferor Companies, there shall not be any issue of shares as consideration to the shareholders of the Transferor Companies.

9.2 Further, upon this Scheme becoming effective, the investments in the share capital of the Transferor Companies, appearing in the books of account of the Transferee Company and its indirect wholly-owned subsidiary (i.e., SPCL) shall be cancelled without, any further application, act, instrument or deed.

#### 10. INCREASE IN AUTHORISED CAPITAL OF THE TRANSFEE COMPANY

10.1 Upon the Scheme coming into effect, the authorised share capital of the Transferor Companies shall be transferred to the Transferee Company and the Transferee Company's authorised share capital in terms of its Memorandum of Association and Articles of Association shall automatically stand enhanced without any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to the registrar of companies, and the memorandum of association and articles of association of the Transferee Company (relating to the authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, as provided in Clause 10.2 and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purpose of effecting this amendment, and no further resolution(s) under Section 13, Section 14, Section 61 or any other applicable provisions of the Act shall be required to be separately passed. Upon the Scheme coming into effect, the 5,000, 6% redeemable non-cumulative preference shares of Rs. 10/- each, forming part of the authorised share



capital, of the Transferor Company 2 shall also be automatically reclassified into 5,000 equity shares of Rs. 10/- each, amounting to Rs. 50,000 authorised equity share capital of the Transferee Company. For this purpose, the filing fees and stamp duty already paid by the Transferor Companies on its authorised share capital shall be utilised and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and, accordingly, the Transferee Company shall only be required to pay difference, if any, in the fees/ stamp duty on the authorised share capital so increased, after adjusting the fees and stamp duty already paid by the Transferor Companies..

- 10.2 Accordingly, in terms of this Scheme, the authorised share capital of the Transferee Company shall stand enhanced to an amount of Rs. 1,883,700,000/- divided into 188,370,000 equity shares of Rs. 10/- each and the capital clause being Clause VI of the Memorandum of Association of the Transferee Company shall stand substituted to read as follows:

*“VI. The Authorized Share Capital of the Company is Rs. 1,883,700,000/- divided into 188,370,000 Equity Shares of Rs. 10/- each with power to classify or reclassify, increase or reduce such capital from time to time and power to divide the shares in the capital for the time in accordance with the regulations of the Company and the legislative provisions for the time being in force in this behalf and with the power to divide the share capital for the time being into several classes and to attach thereto respectively preferential, qualified or special rights, privileges or conditions including as to voting and to vary, modify, or abrogate the same in such manner as may be permitted by the Act or as may for time to time being be provided for by these presents and the Articles of Association of the Company.”*



PART D

ACCOUNTING TREATMENT  
IN THE BOOKS OF THE TRANSFEREE COMPANY

11. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY

On the Scheme becoming effective and with effect from the Appointed Date, the merger of the Transferor Companies with the Transferee Company shall be accounted by the Transferee Company as per the applicable accounting principles prescribed under the Indian Accounting Standard (Ind AS) 103, 'Business Combinations' notified under Section 133 of the Act and/ or any other applicable Ind AS, as amended from time to time.

12. TRANSACTIONS BETWEEN THE APPOINTED DATE AND THE EFFECTIVE DATE

During the period from the Appointed Date to the Effective Date:

- 12.1 The Transferor Companies shall carry on and be deemed to have carried on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of its business and Undertaking for and on account of and in trust for the Transferee Company.
- 12.2 The Transferor Companies shall carry on their respective businesses and activities in the ordinary course of business with reasonable diligence and business prudence.
- 12.3 All the profits or income accruing or arising to the Transferor Companies or expenditure or losses incurred or arising to the Transferor Companies, shall for all purposes be treated and deemed to and accrue as the profits or income or expenditure or losses (as the case may be) of the Transferee Company.



- 12.4 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Government 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 Companies.
- 12.5 The Transferor Companies shall carry on their respective businesses, operations or activities with reasonable diligence and business prudence and in the same manner as they had been doing hitherto and shall not venture into/ expand any new businesses, alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business, without the prior consent of the Transferee Company.
- 12.6 For avoidance of doubt it is hereby clarified that nothing in this Scheme shall prevent the Transferee Company and the Transferor Companies from declaring and paying dividends, whether interim or final, to their respective equity shareholders or undertaking any corporate actions by the Transferee Company. 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 Companies 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 Board of Directors of the Transferor Companies and the Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Companies and the Transferee Company, respectively.
- 12.7 The Transferee Company and the Transferor Companies shall also be entitled to make an application for amending, cancelling or obtaining fresh registrations, as the case may be, under all applicable laws and legislations. The Transferee Company and the Transferor Companies would be entitled to make an application for amending licenses/ authorisations.

13. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and vesting of the Undertaking(s) of the Transferor Companies under Clause 4 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Companies on or





before the Appointed Date or concluded between the Appointed Date and the Effective Date (both days inclusive), to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Companies as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.



PART E

DISSOLUTION OF THE TRANSFEROR COMPANIES AND  
THE GENERAL TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME OF  
AMALGAMATION AND OTHER MATTERS CONSEQUENTIAL AND INTEGRALLY  
CONNECTED THERETO

14. WINDING UP

On the Scheme becoming effective, the Transferor Companies shall stand dissolved, without being wound-up.

15. CONDITIONALITY OF THE SCHEME

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

- (i) Approval by the respective requisite majorities of the shareholders and/ or creditors (wherever applicable) of the Transferee Company and the Transferor Companies as required under the Act.
- (ii) The requisite consent, approval or permission of the Government Authorities, which by law may be necessary for the implementation of this Scheme;
- (iii) Approval by the NCLT;
- (iv) The certified copy of the order of the NCLT sanctioning the Scheme is filed with the Registrar of Companies, Mumbai by the Transferor Company 1, the Transferor Company 2 and the Transferee Company and filed with the Registrar of Companies, Bengaluru by the Transferor Company 3; and
- (v) Compliance with such other conditions as may be imposed by the NCLT or the Government Authorities.



16. APPLICATION TO THE NCLT

The Transferee Company and the Transferor Companies shall, with all reasonable despatch, make and file applications/petitions under Sections 230 to 232 and other applicable provisions of the Act to the NCLT, within whose jurisdiction the registered offices of the Transferee Company and the Transferor Companies are situated, for sanctioning the Scheme, and for dissolution of the Transferor Companies without being wound-up.

17. MODIFICATION OR AMENDMENTS TO THE SCHEME

The Transferee Company and the Transferor Companies by their respective Board of Directors, or any person(s) or committee authorised/ appointed by them, may carry out or assent to any modifications/ amendments to the Scheme or to any conditions or limitations that the NCLT and/ or any other Government Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e., the Board of Directors or the person(s)/ committee). The Transferee Company and the Transferor Companies by their respective Board of Directors, or any person(s) or committee authorised/ appointed by them, shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any Government Authority or otherwise howsoever arising out of or under or by virtue of the Scheme and/ or any matter concerned or connected therewith. The Transferee Company and the Transferor Companies shall be at liberty to mutually withdraw from this Scheme at any given point of time, before the Effective Date.



18. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon the Scheme coming into effect, the resolutions of the Transferor Companies as is considered necessary by the Board of Directors of the Transferee Company which are validly subsisting be considered as resolutions of the Transferee Company. If any such resolutions have any monetary limits approved under the provisions of the Act or of 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 the like resolutions passed by the Transferee Company.

19. EFFECT OF NON-RECEIPT OF APPROVALS

In the event any of the approvals or conditions enumerated in the Scheme not being obtained or complied with, or for any other reason, the Scheme cannot be implemented, the Board of Directors of the Transferee Company and the Transferor Companies 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, or in case the Scheme is not sanctioned by the NCLT, the Scheme shall become null and void and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

20. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Companies and the Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company. In the event of the Scheme not being sanctioned by the NCLT, the Transferee Company shall bear and pay all costs, charges, expenses and taxes, including duties and levies in connection with the Scheme and will be reimbursed by the Transferor Companies, as may be mutually agreed by the parties. All costs, changes, expenses and taxes including duties and levies in relation to the Scheme shall be adjusted against the Reserves & Surplus of the Transferee Company.



21. MISCELLANEOUS

In case any doubt or difference or issue shall arise among the Transferor Companies and the Transferee Company or any of their shareholders, creditors, employees and/ or persons entitled to or claiming any right to any shares in the Transferor Companies or the Transferee Company, as to the construction of this Scheme or as to any account, valuation or apportionment to be taken or made in connection herewith or as to any other aspects contained in or relating to or arising out of this Scheme, the same shall be amicably settled among the Board of Directors of the Transferor Companies and the Transferee Company and the decision arrived at therein shall be final and binding on all concerned. If any part of this Scheme hereof is invalid, ruled illegal by any NCLT or of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Companies and the Transferee Company that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party to the Scheme, in which case the parties to the Scheme shall attempt to bring about a modification in the Scheme, as will best preserve for the parties to the Scheme, the benefits and obligations of the Scheme. Subject to the provisions of the applicable law, the Scheme shall not restrict the Transferee Company from undertaking any other corporate actions, as the Board of the Transferee Company may decide, during the pendency of approval of this Scheme.

