

**SCHEME OF AMALGAMATION**

**UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE  
COMPANIES ACT, 2013**

**BETWEEN**

**VIRTUAL WORLD SPATIAL TECHNOLOGIES PRIVATE LIMITED (VWSTPL)**  
**(The Transferor Company)**

**WITH**

**GENESYS INTERNATIONAL CORPORATION LIMITED (GICL)**  
**(The Transferee Company)**

**AND**

**THEIR SHAREHOLDERS**

## SCHEME OF AMALGAMATION

### I. Preamble of the Scheme

This Scheme of Amalgamation (the "Scheme") is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification or re-enactment or amendment thereof) for amalgamation of **VIRTUAL WORLD SPATIAL TECHNOLOGIES PRIVATE LIMITED (VWSTPL)** ('Transferor Company') with **GENESYS INTERNATIONAL CORPORATION LIMITED (GICL)** ('Transferee Company') and their respective shareholders and the dissolution of the Transferor Company without winding up.

This Scheme is divided into the following parts:

<b>Part</b>	<b>Particulars</b>
I.	Background, Rationale, Definitions, Appointed Date, Effective Date and Share Capital of Companies
II.	Transfer of Undertaking of Transferor Company to Transferee Company upon merger and the matters incidental thereto
III.	General terms and conditions

### **PART I**

#### *A. BACKGROUND AND DESCRIPTION OF THE COMPANIES:*

- VIRTUAL WORLD SPATIAL TECHNOLOGIES PRIVATE LIMITED** (hereinafter also referred to as "**Transferor Company**" or "**VWSTPL**") is a Private Limited Company incorporated under the name and style of "**VIRTUAL WORLD SPATIAL TECHNOLOGIES PRIVATE LIMITED**" on 20th October, 2015 under the provisions of the Companies, Act 2013 having Corporate Identification Number **U72200MH2015PTC269413**.

The registered office of the Transferor Company is situated at C-119, Kailash Industrial Complex, Behind Godrej Residential Colony, Vikhroli

(West) Mumbai 400 079, Maharashtra.

The Transferor Company is engaged in the of business of developing application or software and to create database using technological means and build location based application suite for discovery through internet connected devices for use by the consumers.

The Transferor Company is a Private Limited Company. In April, 2022, Transferor Company became the wholly-owned subsidiary of Transferee Company. The entire Issued, Subscribed and Paid-up Equity Share Capital of Transferor Company is held by the Transferee Company alongwith its nominees.

The shares of the Transferor Company are not listed on any stock exchanges.

- 2. GENESYS INTERNATIONAL CORPORATION LIMITED** (hereinafter also referred to as "**Transferee Company**" or "**GICL**") is a Public Limited Company incorporated on 28<sup>th</sup> January, 1983 under the Companies Act, 1956 (No.1 of 1956) in Mumbai under the name and style of AEKE TRADING & INVESTMENTS LIMITED and received the 'Certificate of Incorporation' bearing number 29197 of 1982-83 from the Registrar of Companies ("**ROC**"), Maharashtra, Mumbai. The Company had also received Certificate for Commencement of Business from ROC, Maharashtra, Mumbai on 2<sup>nd</sup> February, 1983.

The name of the Transferee Company was subsequently changed to AEKE CORPORATION LIMITED with effect from 12<sup>th</sup> October, 1999 and a fresh certificate of incorporation consequent on change of name was obtained from ROC, Maharashtra, Mumbai.

The name of the Transferee Company was further changed to its existing name i.e. GENESYS INTERNATIONAL CORPORATION LIMITED on 13<sup>th</sup> January, 2000 and a fresh certificate of incorporation consequent on change of name was obtained from ROC, Maharashtra, Mumbai. The CIN of the Company is L65990MH1983PLC029197.

The registered office of the Transferee Company is situated at 73-A, SDF III, SEEPZ, Andheri (East) Mumbai - 400 096, Maharashtra.

The Transferee Company is engaged in the business of providing Advanced Surveying, Mapping and Geospatial Engineering Solutions and Services having state-of-the-art equipment which includes High Precision LiDAR (Light Detection and Ranging) instruments across Terrestrial, Mobile and Aerial Platforms. Genesys has a unique blend of understanding the emerging consumer applications around mapping technology ranging from LiDAR, Aerial Imagery to 2D/3D mapping across various industries including Urban, Telecom, Mining, Agriculture, Navigation, Infrastructure, etc.

The shares of the Transferee Company are listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

## ***B. RATIONALE AND PURPOSE OF THE SCHEME***

The rationale for undertaking the amalgamation of Transferor Company with the Transferee Company is as follows.

Primary business objective of Transferor Company is supplemental to main business of Transferee Company and that merging the entities will consolidate the business in one place and effectively manage the Transferor Company and Transferee Company as a single entity, which will provide several benefits including streamlined group structure by reducing the number of legal entities, reducing the multiplicity of legal and regulatory compliances, rationalizing costs. It is therefore intended that the Transferor Company be amalgamated with the Transferee Company.

Accordingly, the Board of Directors of the Transferor Company and the Transferee Company has decided to amalgamate the Transferor Company together with its businesses and undertaking, with the Transferee Company, so as to achieve the following benefits:

1. Simplification of group and business structure ;
2. The Transferor Company and the Transferee Company are companies within the same group of Companies. Consolidation of number of entities within the group to save administrative cost and hassles in managing multiple legal entities;

3. Cost savings are expected to flow from rationalisation, standardisation and simplification of business processes and elimination of duplication of activities and optimal utilization of resources.
4. Reducing time and efforts on consolidation of financials at group level.
5. Amalgamation of the Transferor Company with the Transferee Company in terms of the Scheme will be beneficial for both the companies, its shareholders, creditors, employees, customers and all stakeholders, concerned with both the companies.

In view of the aforesaid, the Board of Directors of the Transferee Company and the Transferor Company have considered and proposed the Merger by Absorption of the entire undertaking and business of the Transferor Company by the Transferee Company. Accordingly, the Board of Directors of the Transferee Company and the Transferor Company have formulated this Scheme for the transfer and vesting of the entire undertaking and business of the Transferor Company into the Transferee Company pursuant to the provisions of Sections 230 to 232 read with other applicable provisions of the Act.

### *C. DEFINITIONS, INTERPRETATION, APPOINTED DATE, EFFECTIVE DATE AND SHARE CAPITAL*

#### **1. DEFINITIONS**

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned herein below:

- 1.1 "**Act**" means the Companies Act, 2013 and any rules, regulations, circulars, or guidelines issued thereunder, as amended from time to time and shall include any statutory replacement or re-enactment thereof;
- 1.2 "**Amalgamation**" means the amalgamation as specified under Section 2(1B) of the Income-tax Act, 1961.
- 1.3 "**Applicable Law(s)**" or "**Law(s)**" means (a) applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, listing agreements, notifications (b) writ, injunction, directions, directives, judgement, arbitral award, decree, orders or approvals of, or agreements with, any

Governmental Authority or recognized stock exchange, orders or instructions having force of law enacted or issued or sanctioned by any Governmental Authority including any modification or re-enactment thereof for the time being in force;

1.4 "**Appointed Date**" for the purpose of this Scheme means 1st April 2023 or such other date as the National Company Law Tribunal [NCLT] Mumbai or any other Competent Government Authority may direct, which shall be the date with effect from which this Scheme shall become effective and with effect from which date the Transferor Company shall stand amalgamated with the Transferee Company in terms of the Scheme, upon the order sanctioning this Scheme becoming effective.;

1.5 "**Board of Directors**" or "**Board**" means the Board of directors of the respective Transferor Company and/or the Transferee Company, as the context may require, and includes committees of the Board (if any) constituted for the implementation of this Scheme;

1.6 "**BSE**" means the BSE Limited;

1.7 "**Companies**" means collectively, the Transferor Company and the Transferee Company;

1.8 "**Consent**" means any notice, consent, approval, authorization, waiver, permit, permission, clearance, license, exemption, no objection certificate, registration, with, of, from or to any Person.;

1.9 "**Effective Date**" means the last of the dates on which the certified or authenticated copies of the orders of the National Company Law Tribunal sanctioning the Scheme are filed with the respective Registrar of Companies by the Transferor Company and by the Transferee Company. Any reference in this Scheme to the date of "coming into effect of the/this Scheme" or "Scheme becoming effective" shall mean the effective date;

1.10 "**Employees**" means staff and employees, if any, of the Transferor Company as on Effective Date;

1.11 "**Encumbrance**" means (i) any mortgage, charge (whether fixed or floating),

pledge, lien, conditional sales contract, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance or interest of any kind securing, or conferring any priority of payment in respect of any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law; (ii) a contract to give or refrain from giving any of the foregoing; (iii) any voting agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any Person; and (iv) any adverse claim as to title, possession or use; and the terms "Encumbered", "Encumber" shall be construed accordingly;

1.12 "**Financial Statements**" include standalone and consolidated accounts, i.e., balance sheet, statement of profit & loss, cash flow statement and notes to accounts of the Transferor Company and the Transferee Company, as the context may require;

1.13 "**Governmental Authority**" means any government authority, statutory authority, regulatory authority, agency, government department, board, commission, Securities and Exchange Board of India, Stock Exchanges, administrative authority, tribunal or court or any authority or body exercising executive, legislative, judicial, quasi-judicial, regulatory or administrative functions of or pertaining to government, having or purporting to have jurisdiction on behalf of the Republic of India or any state or province or other political subdivision thereof or any municipality, district or other subdivision thereof or in any other nation over the Transferor Company and/ or the Transferee Company, as the context may require;

1.14 "**INR**" means Indian National Rupees which is the lawful currency of India;

1.15 "**IT Act**" means the Indian Income-tax Act, 1961 and shall include any statutory modifications, re-enactments, or amendments thereof for the time being in force

1.16 "**NSE**" means the National Stock Exchange of India Limited (NSE)

1.17 "**NCLT**" shall for the purpose of this Scheme, mean the Hon'ble National Company Law Tribunal, Mumbai Bench empowered to sanction the Scheme as per the provisions of the Act;

- 1.18 "**NCLT Order**" shall mean the Order of the Hon'ble National Company Law Tribunal, Mumbai sanctioning the Scheme;
- 1.19 "**Person**" means any individual or other entity, whether a corporation, firm, company, joint venture, trust, association, organization, partnership, or proprietorship, including any governmental agency or regulatory body;
- 1.20 "**Permits**" means all consents, licences, permits, certificates, permissions, authorisations, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory, regulatory or otherwise as required under Applicable Law;
- 1.21 "**Registrar of Companies**" or "**ROC**" means the Registrar of Companies, Maharashtra, Mumbai;
- 1.22 "**Scheme of Merger by Absorption**" or "**this Scheme**" or "**the Scheme**" means this Scheme of Merger by Absorption of the Transferor Company by the Transferee Company in its present form submitted to the Tribunal at Mumbai for sanction or as may be modified from time to time or as may be approved or directed by the Tribunal or any other Governmental Authority;
- 1.23 "**Stock Exchanges**" means BSE and NSE;
- 1.24 "**Subsidiary**" means a subsidiary of Genesys International Corporation Limited under Section 2(87) of the Act 2013. Virtual World Spatial Technologies Private Limited is a wholly owned subsidiary of Genesys International Corporation Limited;
- 1.25 "**SEBI**" means Securities and Exchange Board of India;
- 1.26 "**SEBI Scheme Circular**" means the master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 issued by SEBI on November 23, 2021 or any other circulars issued by SEBI applicable to schemes of arrangement from time to time;
- 1.27 "**Tax**" or "**Taxes**" means any and all taxes (direct or indirect), surcharges, fees, levies, duties, tariffs, imposts and other charges of any kind (together with any and all interest,



penalties, additions to tax and additional amounts imposed with respect thereto), in each case in the nature of a tax, imposed by any Governmental Authority (whether payable directly or by withholding), including without limitation, taxes based upon or measured by income, windfall or other profits, gross receipts, property, sales, severance, branch profits, customs duties, excise, anti-dumping duty, special additional duty, octroi, bonds with the custom authorities etc., CENVAT, withholding tax, self-assessment tax, advance tax, service tax, sales tax, goods and services tax, stamp duty, transfer tax, value-added tax, minimum alternate tax, banking cash transaction tax, securities transaction tax, taxes withheld or paid, customs duty and registration fees;

1.28 "**Transferee Company**" means GENESYS INTERNATIONAL CORPORATION LIMITED, a public limited company incorporated on 28th January, 1983 under the provisions of the Indian Companies Act, 1956 and is a public limited company within the meaning of the Act;

1.29 "**Transferor Company**" means VIRTUAL WORLD SPATIAL TECHNOLOGIES PRIVATE LIMITED a private limited company incorporated on 20th October, 2015 under the provisions of the Indian Companies Act, 2013 and is a private limited company within the meaning of the Act;

1.30 "**Undertaking**" shall mean all assets, properties, liabilities and entire business, activities, and operations of the Transferor Company on a going concern basis and shall include (without limitation):

- i. all assets of the Transferor Company, wherever situated, as are movable in nature, whether present, future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal, including without limitation current assets, furniture, fixtures, appliances, accessories, office equipment, communication facilities, installations, vehicles, utilities, actionable claims, earnest monies, security deposits and sundry debtors, bills of exchange, inter corporate deposits, financial assets and accrued benefits thereto, insurance claims recoverable, prepaid expenses, outstanding loans and advances recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cheques and other negotiable instruments, cash and bank balances and deposits including accrued interests thereto with Governmental Authority, other authorities, bodies, customers and other persons, benefits of

any bank guarantees, performance guarantees, corporate guarantees, letters of credit and tax related assets (including service tax, input credits, GST, value added tax or set-offs and any other tax benefits, exemptions and refunds under any other statutes)

- ii. all immovable properties including any tenancies in relation to office space, warehouses, workshop, sheds, stores, guest houses and residential premises and documents of title, rights and easements in relation thereto and all plant and machineries constructed on or embedded or attached to any such immovable properties and all rights, covenants, continuing rights, title and interests in connection with the said immovable properties;
- iii. all investments, if any, in shares, stocks, warrants, debentures, bonds and other such securities, whether encumbered or unencumbered, whether in certificate form or in dematerialized form and agreements to purchase, sell, assign, mortgage in relation thereto, loans and advances including accrued interest thereon;
- iv. all credits, advances, loans, fixed deposits, earnest monies, security deposits, provisions, commitments appertaining or relatable to the Transferor Company;
- v. all debts (including term loans, working capital facilities, bonds, and other debt securities), liabilities, loans, advances, borrowings - whether secured or unsecured, whether in Rupees or foreign currency, bills payable, public deposits, interest accrued, contingent liabilities and all other liabilities and duties both present and future, current and non-current including deferred tax liabilities, contingent liabilities and the liabilities and obligations under any licenses & permits, undertakings, contractual obligations, guarantees given and duties and obligations of the Transferor Company;
- vi. all contracts, agreements, Joint Venture Agreement, memorandum of understanding, bids, tenders, expressions of interest, letters of intent, commitments including to clients, and other third parties, hire and purchase arrangements, other arrangements, undertakings, deeds, bonds, investments and interest in projects undertaken by the Transferor Company, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise, to which the Transferor

Company is party, or to the benefit of which the Transferor Company may be eligible ("Contracts")

- vii. all intellectual property rights of the Transferor Company, including pending applications (including hardware, software, source codes, parameterization and scripts), registrations, goodwill, logos, trade names, trademarks, service marks, copyrights, patents, technical know-how, trade secrets, domain names, computer programmes, moral rights, development rights, finished and ongoing research and development programs and all such rights of whatsoever description and nature, whether or not registered, owned or licensed, including any form of intellectual property which is in progress ("Intellectual Property");
- viii. all powers, authorities, allotments, approvals, consents, rights, licenses, permits, quotas, subsidies and incentives, registrations, contracts, engagements, liberties, arrangements, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company, including but without being limited to all Patents, trademarks, trade names, copyrights, designs and other commercial rights of any nature whatsoever and licenses in respect thereof, privileges, liberties, easements, advantages, benefits, leases, tenancy rights, leasehold rights, ownership flats, easements, authorizations, rights and benefits of all agreements, goodwill, receivables, benefits of any deposits, including any tax - direct or indirect including advance tax paid, refund receivable, credit for minimum alternate tax, credit for Input tax / service tax / CENVAT credit / Goods and Service Tax (GST), tax deducted in respect of any income received, tax collected at source, exemptions, benefits, concessions, incentives, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and electronic and other services, reserves, provisions, funds, benefits of all agreements, contracts and arrangements, letters of intent, memorandum of understanding, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder and all other interest belonging to or in the ownership, power or possession or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company;

- ix. all legal (whether civil or criminal), taxation or other proceedings or investigations of whatsoever nature (including those before any Governmental Authority) that pertain to the Transferor Company, initiated by or against the Transferor Company or proceedings or investigations to which the Transferor Company is party to, whether pending as on the Appointed Date or which may be instituted any time in the future ("Proceedings");
- x. Any statutory licenses, permissions, registrations or approvals or consents held by the Transferor Company required to carry on the operations shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company and the benefit of all the statutory and regulatory permissions, environmental approvals and consents, registration or other licenses and consents shall vest in and become available to the Transferee Company as if they were originally obtained by the Transferee Company. In so far as the various incentives, subsidies, rehabilitation scheme, special status and other benefits or privileges enjoyed, granted by any Governmental Authority or by any other person, or availed by the Transferor Company, are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions as applicable to the Transferor Company, as if the same had been allotted and/ or granted and/ or sanctioned and/ or allowed to the Transferee Company.
- xi. all necessary records, files, papers, computer programmes, websites, domain names, manuals, data, catalogues, quotations, sales and advertising materials, lists present and former customers, customer credit information, customer pricing information and all other records, whether in physical form or electronic form, software license, domain/websites, etc. in connection with or relating to the Transferor Company; and
- xii. all employees of the Transferor Company and other obligations of whatsoever kind, including liabilities of the Transferor Company with regard to its employees, with respect to the payment of gratuity, superannuation, pension benefits and the provident fund or compensation or benefits, if any, in the event of resignation, death, voluntary retirement or retrenchment or otherwise.

## 2. INTERPRETATION

- 2.1. In addition to the above terms, certain terms may be defined elsewhere in this Scheme and wherever such terms are used in this Scheme, they shall have the meaning so assigned to them.
- 2.2. The terms referred to in this Scheme shall, unless defined otherwise in this Scheme or inconsistent with the context or meaning thereof, bear the meaning ascribed to them under the relevant statute/legislation.
- 2.3. All references in this Scheme to statutory provisions shall be construed as meaning and including references to:
  - 2.3.1 any statutory modification, consolidation or re-enactment made after the date of approval of this Scheme by the Board of Directors of the respective Companies and for the time being in force;
  - 2.3.2 all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted, or consolidated);
  - 2.3.3 all statutory instruments or orders made pursuant to a statutory provision; and any statutory provisions of which these statutory provisions are a consolidation, re-enactment, or modification.
- 2.4. Words denoting the singular shall include the plural and words denoting any gender shall include all genders.
- 2.5. Headings, subheadings, titles, subtitles to clauses, sub-clauses, sections, and paragraphs are for information only and shall not form part of the operative provisions of this Scheme or the schedules hereto and shall be ignored in construing the same.
- 2.6. References to clauses, and schedules are, unless the context otherwise requires, references to clauses, and schedules to this Scheme.
- 2.7. Reference to days, months and years are to calendar days, calendar months and calendar years as per the English calendar, respectively.

2.8. Any reference to "writing" shall include printing, typing, lithography and other means of reproducing words in visible form.

2.9. The words "include" and "including" are to be construed without limitation.

2.10. Where a wider construction is possible, the words "other" and "otherwise" shall not be construed ejusdem generis with any foregoing words.

### 3. EFFECTIVE DATE AND OPERATIVE DATE OF THE SCHEME

The Scheme set out herein in its present form or with any modification(s) as approved or imposed or directed by the Hon'ble Tribunal, shall be effective from the Appointed Date but shall become operative from the Effective Date.

### 4. SHARE CAPITAL

4.1. The Share Capital of the Transferor Company as on 31st March, 2022 is as follows:

<b>Particulars</b>	<b>Amount in INR</b>
<b>Authorized Share Capital</b>	
17,50,000 Equity shares of Rs. 10 each	1,75,00,000
<b>Total</b>	<b>1,75,00,000</b>
<b>Issued, Subscribed and Paid - up Share Capital</b>	
15,90,770 Equity Shares of Rs. 10/- each	1,59,07,700
<b>Total</b>	<b>1,59,07,700</b>

Subsequent to the above date and till the date of approval of this Scheme by the Board of Directors, there has been no change in the aforesaid Share Capital of the Transferor Company.

The entire Share Capital of the Transferor Company has been held by the Transferee Company along with its nominee/s.

4.2. The Share Capital of the Transferee Company as on 31st March, 2022

<b>Particulars</b>	<b>Amount in INR</b>
<b>Authorized Share Capital</b>	
5,10,00,000 equity shares of Rs. 5/- each	25,50,00,000
<b>Total</b>	<b>25,50,00,000</b>
<b>Issued, subscribed and paid-up shares:</b>	
31,362,752 equity shares of Rs.5/- each	156,813,760
<b>Total</b>	<b>156,813,760</b>

**As on 15<sup>th</sup> December 2022**

<b>Particulars</b>	<b>Amount in INR</b>
<b>Authorized Share Capital</b>	
5,10,00,000 equity shares of Rs. 5/- each	25,50,00,000
<b>Total</b>	<b>25,50,00,000</b>
<b>Issued, subscribed and paid-up shares:</b>	
36,924,398 equity shares of Rs.5/- each	184,621,990
<b>Total</b>	<b>184,621,990</b>

**Notes:-**

1. The Board of directors at their meeting have allotted following Convertible Warrants. Warrant Holders are yet to exercise the options to convert the Warrants into equity shares.

<b>Sr. No</b>	<b>Date of Allotment</b>	<b>No. of Convertible Warrants allotted</b>
1	13th August 2021	7,50,000
2	14th July 2022	3,19,145
3	22nd July 2022	13,04,345

2. Till 15<sup>th</sup> December 2022, 6,150 ESOPs have been exercised by the eligible employees for issue of equity shares of Rs. 5/- each which are yet to be allotted pursuant to the Genesys ESOP Scheme 2020.

3. The Compensation Committee of Board of directors at their meeting held on 18<sup>th</sup> October 2022 have granted 1,95,000 and on 5<sup>th</sup> December 2022 1,00,000 ESOPs to eligible employees pursuant to Genesys ESOP Scheme 2022. One ESOP grant represents one equity share of Rs. 5/- each.

Subsequent to the above date and till the date of approval of this Scheme by the Board of Directors, there has been no change in the aforesaid Share Capital of the Transferee Company.

## **PART II**

### **MERGER BY ABSORPTION OF THE TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY**

#### **5. TRANSFER AND VESTING OF UNDERTAKING**

With effect from the Appointed Date, the Undertaking of the Transferor Company shall, pursuant to sanction of this Scheme by NCLT under and in accordance with the provisions of sections 230 and 232 of the Act and subject to the terms and conditions of this Scheme and, without any further act, instrument or deed, shall stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company so as to become the undertaking of the Transferee Company by virtue of and in the following manner:

#### **Transfer and vesting of assets**

- 5.1. With effect from the Appointed Date, all the assets, properties, rights, interests, benefits, privileges, outstanding loans and advances, if any, bank balances and deposits, if any and investment (including investment in shares and any other securities), of the Transferor Company shall also without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company.
- 5.2. All immovable properties of the Transferor Company and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or otherwise, and all documents of title, rights and easements in relation



thereto shall be vested in and/or be deemed to have been vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to such immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of this Scheme by the Tribunal and upon the coming into effect of this Scheme in accordance with the terms hereof.

- 5.3. In respect of such of the assets and properties belonging to the Transferor Company (other than those referred to in Clause 5.1 and 5.2 above) 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 stand transferred to and vested in the Transferee Company and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act. All assets, rights, title, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets, rights, title, interest, investments and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date or from the date of their acquisition (after the Appointed Date but before the Effective Date) as the case may be, pursuant to the provisions of Sections 230 to 232 of the Act.

- 5.4. All assets, rights, title, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, Interest, investments and properties, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets, rights, title, interest, investments and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, If any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date or from the date of their acquisition (after the Appointed Date but before the Effective Date) as the case may be, pursuant to the provisions of Sections 230 to 232 of the Act.
- 5.5. Upon coming into effect of the Scheme, and with effect from the Appointed Date, all the profits or income taxes (including advance tax, tax deducted at source, tax collected at source, foreign tax credits, dividend distribution tax, MAT credit and any credit for dividend distribution tax, all input credit balances (including but not limited to CENVAT/MODVAT, sales tax, applicable excise and customs duties, SGST, IGST and CGST credits under the GST laws) or any costs, charges, expenditure accruing to the Transferor Company in India and abroad or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purpose be treated and be deemed to be and accrue as the profits, taxes, income, costs, charges, expenditure or losses of Transferee Company, as the case may be.
- 5.6. All the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, including Income tax benefits and exemptions, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be

and stand transferred to and vest in and/or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

*Transfer of contracts, deeds*

- 5.7. All contracts including contracts for supply or purchase of materials, deeds, bonds, agreements, schemes, arrangements, insurance, letters of intent, confidentiality agreements, memorandums of understanding, offer letters, undertaking, policies and other instruments of whatsoever nature, to which the Transferor Company is a party or to the benefit of which Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company concerned, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder.
- 5.8. Without prejudice to the other provisions of this Scheme and notwithstanding that vesting of the Undertaking 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 (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company is 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, after the Effective Date, 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 the part of the Transferor Company to be carried out or performed.

### *Transfer and vesting of liabilities*

5.9. With effect from the Appointed Date, all debts (including term loans, working capital facilities, bonds, and other debt securities), liabilities (including contingent liabilities) of the Transferor Company, including all secured and unsecured debts, duties and obligations of every kind, nature and description of the Transferor Company whether present or future, and howsoever arising, along with any charge, encumbrance, lien or security thereon, shall without any further act, instrument or deed and without payment of any related Duties Taxes and fees be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company and the Transferee Company shall meet, discharge and satisfy the same and further 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.

5.10. All loans raised and utilized and all liabilities, duties and obligations incurred or undertaken by the Transferor Company on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 230 to 232 of the Act, without any further act, instrument or deed be stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

### *Intellectual Property*

5.11. All Intellectual Property of the Transferor Company shall stand transferred to and be vested in the Transferee Company and be in full force and effect in favour of the Transferee Company and may be enforced by or against it as fully and effectually as if, instead of the Transferor Company, the Transferee

Company had been a party or beneficiary or obligee thereto.

**General conditions**

- 5.12. On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate the bank accounts, if any, of the Transferor Company.
- 5.13. On and from the Effective Date, the security creation, borrowing and investment limits of the Transferee Company under the Act shall be increased to the extent of the security creation, borrowing and investment limits of the Transferor Company, such limits being incremental to the existing limits of the Transferee Company.
- 5.14. Any corporate approvals obtained by the Transferor Company, whether for the purposes of compliance or otherwise, shall stand transferred to the Transferee Company and such corporate approvals and compliance shall be deemed to have been obtained and complied with by the Transferee Company.
- 5.15. All taxes (including but not limited to advance tax, self-assessment tax, regular tax, tax deducted at source, minimum alternate tax credits, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, value added tax, sales tax, service tax, goods and service tax etc.) paid/ payable by or refunded/ refundable to the Transferor Company with effect from the Appointed Date, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, etc. as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, accumulated losses and allowance for unabsorbed depreciation as per Section 72A of the IT Act, losses brought forward and unabsorbed depreciation as per the books of account, deductions otherwise admissible such as under Sections 40, 40A, 43B, etc. of the IT Act, exemptions, credits, holidays, remissions, reductions, service tax input credits, GST Input credits etc., as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company.
- 5.16. Any third party or Governmental Authority required to give effect to any provisions of this Scheme, shall take on record the NCLT Order sanctioning the Scheme on its file and duly record the necessary substitution or endorsement in

the name of the Transferee Company as successor in interest, pursuant to the sanction of this Scheme by NCLT, and upon this Scheme becoming effective. For this purpose, the Transferee Company shall file certified copies of such NCLT Order and if required file appropriate applications or forms with relevant authorities concerned for statistical and information purposes only and there shall be no break in the validity and enforceability of Governmental Approvals, Consents, exemptions, registrations, no-objection certificates, permits quotas, rights, entitlements, licenses (including the licenses granted by any Governmental Authorities for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

- 5.17. For the avoidance of doubt and without prejudice to the generality of the foregoing, 'it is clarified that with effect from the Appointed Date, all consents, permissions, certificates, clearances, authorities, power of attorneys given by, issued to or in favour of the Transferor Company shall stand transferred to 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 there under, and the rights and benefits under the same shall be available to the Transferee Company.
- 5.18. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of the Scheme; and (ii) continued vesting of the benefits, exemptions available to the Transferor Company in favour of the Transferee Company, the Board of Directors of the Transferor Company and the Transferee Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties if applicable and the same shall be considered as giving effect to the NCLT order and shall be considered as an integral part of this Scheme. Further the Transferee Company shall be deemed to be authorized to execute or enter into necessary documentations with any regulatory authorities or third parties if applicable on behalf of the Transferor Company and to carry out to perform all such formalities and / or compliances, as required for the purpose of implementation of the provisions of the Scheme.

## 6. CONSIDERATION

As the Transferor Company is a Wholly Owned subsidiary of the Transferee Company, no consideration shall be payable pursuant to the merger of the Transferor Company into and with the Transferee Company. Upon the Scheme becoming effective, the entire equity share capital of Transferor Company held by the Transferee Company together with its nominees shareholders shall stand cancelled and extinguished without any further act, application or deed by the Transferee Company.

## 7. CONSOLIDATION OF AUTHORISED SHARE CAPITAL

Upon this Scheme becoming effective and upon the transfer and vesting of VWSTPL into GICL pursuant to this Scheme, the entire authorized share capital of VWSTPL equal to Rs. 1,75,00,000/- (divided into 17,50,000 Equity shares of Rs.10/- each) shall stand merged with the authorized share capital of the GICL the Transferee Company.

i) Thus, the Authorized Share Capital of the Transferee Company (GICL) of Rs.25,50,00,000/- divided into 5,10,00,000 Equity Shares of Rs.5/- each shall stand increased by Rs. 1,75,00,000/- to Rs.27,25,00,000/- divided into 5,45,00,000 Equity shares of Rs.5/- each.

ii) Accordingly, the authorized share capital of the Transferee Company shall stand increased by an amount of Rs. 1,75,00,000/- and Clause V of the Memorandum of Association of GICL (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 13 and 61 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 as the case may be and be replaced by the following clause:

The Authorized Share Capital of the Company is Rs.27,25,00,000/- (Rupees Twenty Seven Crore Twenty Five Lakhs only) divided into 5,45,00,000 (Five Crores Forty Five Lakhs) Equity Shares of Rs.5/- (Rupees Five only) each. The Company shall have power to increase the said capital and to issue any part of its capital, original or increased, with or without any preferential rights, privileges, conditions or advantages over or as compared with any shares previously issued or to be thereafter issued, whether in respect of dividend or repayment of

capital or both and whether with any special rights of voting or without any right of voting and generally on such terms as the Company may from time to time determine, nevertheless that in the event of the Capital of the Company (including the original Capital) being or becoming divided into shares of different classes, the rights or privileges attached to any class, may be affected, altered, modified or dealt with only in accordance with the provisions in that behalf contained in the Articles of Association of the Company for the time being subject to the provisions of the Companies Act, 2013.

The Company shall have power from time to time to increase or reduce its capital. The shares forming part of the Capital (original, increased or reduced) of the Company may be sub-divided, consolidated or divided into such classes, with any preferential, deferred, qualified, special or other rights, privileges or conditions attached thereto and be held upon such terms as may be determined by the Articles of Association and Regulations of the Company for the time being or otherwise."

Upon this Scheme becoming effective, the authorized share capital of the Transferee Company shall automatically stand increased / reclassified 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 amount of authorized share capital of the Transferor Company appearing as on the date of certified or authenticated copies of the Orders of the National Company Law Tribunal sanctioning this Scheme being filed with the appropriate Registrar of Companies. 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 sanctioning of the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 13, 14, 61 of the Companies Act, 2013 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 increased 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 in the authorize share capital to that extent.



It is clarified that no further resolution would be required to be separately passed for the amendment of the Memorandum of Association and Articles of Association of the Transferee Company and Clause V of the Memorandum of Association shall stand substituted accordingly by the virtue of the approval of this Scheme.

## 8. ACCOUNTING TREATMENT

Upon the Scheme becoming effective and with effect from the Appointed date:

8.1 Notwithstanding anything contrary contained in any other clauses of the Scheme, the Transferee Company shall give effect to the accounting treatment of amalgamation in its books of accounts in accordance with the treatment provided for 'Pooling of Interest Method' as prescribed in Appendix C of Indian Accounting Standard 103 on Business Combinations notified under the accounting standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, relevant clarifications issued by the IND AS Transition Facilitation Group (ITFG) of the Institute of Chartered Accountants of India and other generally accepted accounting principles in India or any other relevant or related requirement under the Act, as applicable on the Appointed Date.

8.2 The Transferor Company and Transferee Company all being the entities under common control, the accounting at Transferee Company would be done at carrying values for all the assets and liabilities acquired by the Transferee Company by applying the principles as set out in Appendix C of Ind AS 103 'Business Combinations' and inter-company balances and Inter-company investment, if any, between Transferor Company and with Transferee Company shall stand cancelled.

8.3 The Transferee Company shall recognize the assets, liabilities, and reserves of the Transferor Company in its books of accounts on the date as determined under IND AS 103 and at their respective carrying amounts as appearing in the financial statements of the Transferor Company.

8.4 The Transferor Company is Wholly Owned Subsidiary of Transferee Company. Accordingly, pursuant to the Scheme no new shares shall be issued after the Scheme is sanctioned by the Tribunal

8.5 Inter-company balances, loans and advances and investments if any, shall stand cancelled.

8.6 The value of investment held by the Transferee Company in the Transferor Company shall stand cancelled pursuant to the Amalgamation.

8.7 The identity of the reserves, including balance of Profit and Loss Account, of the Transferor Company shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Company.

8.8 The difference between the share capital of the Transferor Company and investments in the shares of Transferor Company, shall be adjusted to the Capital Reserves of the Transferee Company.

8.9 In case of any differences in the accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail and the impact of the same till the Appointed Date of Merger by Absorption will be quantified and adjusted in the Transferee Company to ensure that the financial statements of the Transferee Company effect the true financial position on the basis of consistent accounting policies.

8.10 The financial information in the financial statements in respect of prior periods should be restated as if the business combination had occurred from the beginning of the earliest period presented in the financial statements, irrespective of the actual date of the combination.

## 9. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

Subject to all the provisions of this Scheme, all contracts, deeds, bonds, agreements, undertakings, guarantees, indemnities, arrangements and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect against

or in favor of, as the case may be, the Transferee Company enforced as fully and effectively as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto, without any further act or deed. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into a tripartite arrangement, confirmation or novation to which the Transferor Company will, if necessary, also be a party in order to give formal effect to this clause if so required or become necessary.

## 10. EMPLOYEES

10.1 All employees of the Transferor Company in service on the Effective Date, if any, shall become employees of the Transferee Company on such date without any break or interruption in service and on terms and conditions as to remuneration not less favourable than those subsisting with reference to the Transferor Company as on the said date.

10.2 As far as the provident fund, gratuity fund, superannuation fund or any other special fund created or existing for the benefit of such permanent employees of the Transferor Company is concerned, on and from the Effective Date, the balances in such funds (including but not limited to contribution account, reserves and surplus, investments) or trusts shall be transferred to the relevant funds of the Transferee Company. It is clarified that the services of such permanent employees of the Transferor Company will be treated as having been continuous and not interrupted for the purposes of such funds.

## 11. LEGAL PROCEEDINGS

Upon the coming into effect of this Scheme, if any suit, appeal or other proceeding of whatsoever nature by or against the Transferor Company be pending as on the Appointed Date, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking or anything contained in this Scheme, but the said suit, appeal or other legal 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, prosecuted and enforced by or against the Transferor Company, if this Scheme had not been made. On and from the Effective Date, the Transferee Company shall and may, if required, initiate any

legal proceedings in relation to the relevant matters pertaining to the Transferor Company in the same manner and to the same extent as would or might have been initiated by the Transferor Company.

After the Appointed Date, if any proceedings are taken against the Transferor Company, the same shall be defended by and at the cost of the Transferee Company.

### **PART III**

#### **GENERAL TERMS AND CONDITIONS**

#### **12. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY TILL EFFECTIVE DATE**

12.1 With effect from the Appointed Date and upto the Effective Date: The Transferor Company shall carry on and be deemed to carry on all the business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Undertaking on account of, and for the benefit of and in trust for Transferee Company and all the profits or losses, arising or incurred by the Transferor Company shall, for all purposes, be treated and be deemed to be and to accrue as the profits or losses of Transferee Company, as the case may be.

12.2 The Transferor Company shall carry on its business and activities with reasonable diligence and business prudence and shall not, except with notice to or knowledge of, undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its subsidiaries or group companies or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking, save and except in each case in the following circumstances :

(i) if the same is in its ordinary course of business, as carried on by it as on the date of filing this Scheme with NCLT; or

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

(iii) if written consent of the Board of Directors of Transferee Company has been obtained.

12.3 All estate(s), asset(s), right(s), title(s), interest(s) and authority(ies) pertaining to the business of the Transferor Company accrued to and/or acquired by the Transferor Company prior to the Effective Date shall have been or deemed to have been accrued to and/or acquired for and on behalf of the Transferee Company and shall upon the coming into effect of this Scheme, pursuant to the provisions of Section 232(4) of the Act, without any further act, instrument or deed be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company to that extent and shall become the estate(s), asset(s), right(s), title(s), interest(s) and authority(ies) of the Transferee Company.

12.4 All the profits or income accruing or arising to the Transferor Company and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and Income) by the Transferor Company shall, be treated and be deemed to be and accrue as the profits or income or as the case may, expenditure or losses (including taxes) of the Transferee Company.

### 13. DIVIDEND

13.1 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 period prior to the Effective Date.

13.2 Until the effectiveness of this Scheme, the shareholders of the Transferor Company and the Transferee Company shall continue to enjoy their existing rights under their respective articles of association including their right to receive dividend.

13.3 It is however clarified that the aforesaid provision in respect of declaration of dividend is an enabling provision only and shall not be deemed to confer any right on any member of any of the respective Companies to demand or claim any dividend which, subject to the provisions of the Act and the same shall be entirely at the discretion of the respective Board of Directors of the respective Companies

and subject, wherever necessary and in accordance with the law for the time being in force.

#### **14. COMPLIANCE WITH TAX LAWS AS APPLICABLE TO THE SCHEME**

14.1 This Scheme is in compliance with the conditions relating to "amalgamation" as specified under Section 2(1B) of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said Section of the IT Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the IT Act.

14.2 On or after the Effective Date, the Companies shall have the right to revise their respective financial statements and tax returns, even after the prescribed due dates, along with the prescribed forms, filings and annexures under the provisions of the IT Act (including for the purpose of re-computing income-tax under the normal provisions, minimum alternative tax purposes, carry forward and set-off of tax losses and tax benefits and claiming other tax benefits), service tax, sales tax, VAT, excise and customs laws, as may be applicable, CGST, SGST, IGST and other tax laws and to claim refunds and/or credits for taxes paid by Transferor Company (including minimum alternate tax, dividend distribution tax and foreign taxes), and to claim tax benefits under the Income-tax Act including any credit for dividend distribution tax on dividend received by the Transferor Company and other tax laws and for matters incidental thereto, if required to give effect to the provisions of the Scheme.

14.3 As and from the Effective Date, all tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, all tax proceedings shall not in any way be prejudicially affected by reason of the merger of the Transferor Company with the Transferee Company or anything contained in the Scheme.

14.4 Upon the Scheme coming into effect, all taxes (direct and/or Indirect)/ cess/ duties payable by or on behalf of the Transferor Company from the Appointed

Date onwards including all or any refunds and claims, including refunds or claims pending with any Governmental Authority, and including the right to claim credit for minimum alternate tax, dividend distribution tax, set-off and carry forward of accumulated losses, foreign taxes, deferred revenue expenditure, deduction, rebate, allowance, amortization benefit, etc. including any credit for dividend distribution tax under the Income-tax Act, or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India and unutilized CENVAT credit, VAT credit, input tax credit for CGST, SGST and IGST etc. shall, for all purposes, be treated as the tax/ cess/ duty, liabilities or refunds, claims, accumulated losses and unutilized CENVAT credits, VAT credit, CGST, SGST and IGST credits and rights to claim credit or refund etc. of the Transferee Company. Accordingly, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns, wealth tax returns, sales tax returns, excise and CENVAT returns, service tax returns, other statutory returns, CGST returns, SGST returns, IGST returns and to claim refunds/ credits (including, but not limited to foreign tax credit, dividend distribution tax and minimum alternate tax), pursuant to the provisions of this Scheme.

14.5 The Transferee Company shall also be permitted to claim refunds / credits in respect of any transaction between the Transferor Company and the Transferee Company. Without prejudice to the generality of Clause 14.1. above, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns and related withholding tax returns, including withholding tax certificates, relating to transactions between the Transferor Company and the Transferee Company and to claim refunds, advance tax and withholding tax credits, benefit of credit for minimum alternate tax/ dividend distribution tax, Foreign taxes and carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.

14.6 The withholding tax, tax collected at source, advance tax, minimum alternate tax, dividend distribution tax, equalization levy, foreign taxes, if any, paid by the Transferor Company under the Income-tax Act or any other statute for the period commencing from the Appointed Date shall be deemed to be the tax deducted at source, advance tax, dividend distribution tax, equalization levy, foreign taxes paid by the Transferee Company and credit for such withholding tax, tax collected at source, advance tax, minimum alternate tax, dividend distribution

tax, equalization levy, foreign taxes shall be allowed to the Transferee Company notwithstanding that certificates or challans for withholding tax/ tax collected at source/ advance tax/ dividend distribution tax/ foreign tax are in the name of the Transferor Company and not in the name of the Transferee Company.

14.7 The service tax, VAT, sales tax, excise and custom duties under the pre-GST regime and in the GST regime, CGST, SGST and IGST paid by the Transferor Company and/ or Central Goods and Service Tax Act, Integrated Goods and Service Tax Act and Union Territory Goods and Service Tax Act in respect of services provided by the Transferor Company for the period commencing from the Appointed Date shall be deemed to be the service tax, sales tax, excise and custom duties, CGST, SGST, IGST paid by the Transferee Company and credit for such service tax CGST, SGST, IGST shall be allowed to the Transferee Company notwithstanding that challans for service tax payments, CGST payment, SGST payment, IGST payment are in the name of the Transferor Company and not In the name of the Transferee Company.

14.8 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company under the IT Act, Wealth Tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and service tax, VAT law or other applicable laws/ regulations dealing with taxes/ duties/ levies shall be made or deemed to have been made and duly complied with by the Transferee Company.

14.9 All deductions otherwise admissible to the Transferor Company including payment admissible on actual payment or on deduction of appropriate taxes or on payment of tax deducted at source (such as under Sections 40, 40A, 43B etc. of the IT Act) shall be available for deduction to the Transferee Company as it would have been available to the Transferor Company.

14.10 The accumulated losses and the allowance for unabsorbed depreciation of the Transferor Company shall be deemed to be the loss and the allowance for unabsorbed depreciation of the Transferee Company in accordance with Section 72A of the IT Act.

14.11 Further, the losses and unabsorbed depreciation as per books of account of the Transferor Company as on the date immediately preceding the Appointed



Date shall be deemed to be the brought forward losses and unabsorbed depreciation of the Transferee Company for the purpose of computation of book profit to calculate the minimum alternate tax payable by the Transferee Company.

- 14.12 Without prejudice to the generality of the above, accumulated losses and allowance for unabsorbed depreciation as per Section 72A of the IT Act, losses brought forward and unabsorbed depreciation as per books of account, credits (including, without limitation Income tax, minimum alternate tax, tax deducted at source, tax collected at source, taxes withheld/ paid in a foreign country, wealth tax, service tax, excise duty, central sales tax, applicable state value added tax, customs duty drawback, goods and service tax etc.) to which the Transferor Company are entitled to in terms of applicable laws, shall be available to and vest in the Transferee Company upon coming into effect of this Scheme.

## **15. SAVING OF CONCLUDED TRANSACTIONS**

Subject to the terms of the Scheme, the merger of the Undertaking and continuance of proceedings by or against the Transferee Company, as provided herein, shall not affect any transactions or proceedings already concluded by the Transferor Company before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company in relation to the Undertaking as acts, deeds and things done and executed by and on behalf of the Transferee Company.

## **16. DISSOLUTION OF TRANSFEROR COMPANY**

- 16.1 Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up without any further act or deed
- 16.2 Even after the Scheme comes into operation, the Transferee Company shall be entitled to operate all bank accounts relating to Transferor Company and realize all monies and complete and enforce all pending contracts and transactions in the name of Transferor Company in so far as may be necessary until the transfer and vesting of rights and obligations of the Transferor Company to the Transferee Company! under this Scheme is formally effected by

the parties concerned.

## **17. MODIFICATIONS OR AMENDMENTS TO THE SCHEME**

17.1 Subject to approval of the NCLT, the respective Board of Directors or the respective authorized representative appointed by the Board of the Transferee Company and the Transferor Company may assent to any modification(s), alteration(s) or amendment(s) of this Scheme or any condition(s) which the NCLT and/or any other competent authority may deem fit to direct or impose and the said respective Boards 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.

17.2 The Companies shall have the discretion to withdraw their application(s)/petition(s) from NCLT, if any onerous terms or other terms not acceptable to them which may be introduced in the Scheme at the time of sanction of the Scheme or as otherwise. They shall also be at liberty to render the Scheme ineffective by not filing the certified copy of order of the Scheme sanctioned, with Registrar of Companies. However, necessary intimation may be filed by the Companies with the NCLT of their decision not to file the Scheme and not to make it effective.

## **18. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS**

The Scheme is conditional upon and subject to the following:

18.1 Approval of, and agreement to the Scheme by the requisite majorities of members or creditors such of the Transferor Company and Transferee Company or dispensation thereof as may be directed by the Tribunal on the applications made for directions under Section 230 of the said Act for calling or dispensing with meetings and necessary resolutions being passed under the Act for the purpose, if required.

18.2 The sanctions of the Tribunal, Registrar of Companies, Regional Director, Official Liquidator as may be applicable or as may be directed by the Tribunal, being obtained under Sections 230 to 232 and other applicable provisions of the Act on behalf of the Transferor Company and Transferee Company.

18.3 Certified copies of the Order of the Tribunal sanctioning this Scheme shall be filed with the Registrar of Companies, Mumbai by the Transferor Company and Transferee Company

## 19. COMPLIANCE WITH SEBI REGULATIONS

19.1 As the Present Scheme solely provides for Merger by Absorption of wholly owned subsidiary with its holding company, no formal approval, no objection certificate or vetting is required from Stock Exchange(s) or SEBI for the Scheme, in terms of provisions of Securities and Exchange Board of India (Listing Obligations and disclosure Requirements) Regulations, 2015 read with the Securities and Exchange Board of India (Listing Obligations and disclosure Requirements) (amendment) Regulations, ACT2015, SEBI Scheme master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 issued by SEBI on November 23, 2021 or any other circulars issued by SEBI applicable to schemes of arrangement from time to time.

19.2 In terms of the SEBI Regulations, the Present Scheme of Merger by Absorption is only required to be filed with Stock Exchange(s) for the purpose of disclosure and dissemination on their website.

## 20. MUTATION OF PROPERTY

Upon the Scheme coming into effect and with effect from the Appointed Date, the title to the immovable properties including development rights, of the Transferred Undertakings shall be deemed to have been mutated and recognized as that of the Transferee Company and the mere filing of the certified true copy of the vesting order of the Tribunal sanctioning the Scheme with the appropriate Registrar or Sub-registrar of Assurances or with the relevant Government agencies shall suffice as record of continuing title of the immovable properties including development rights of the Transferred Undertakings with the Transferee Company pursuant to the Scheme becoming effective and shall constitute a deemed mutation and substitution thereof.

## **21. EFFECT OF NON-RECEIPT OF APPROVALS/ SANCTIONS**

In the event of any of the said sanctions and approvals referred to in the Clause not being obtained and/or the Scheme not being sanctioned by the Tribunal or the authorities mentioned therein, 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 hereunder 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.

## **22. COSTS, CHARGES EXPENSES AND STAMP DUTY**

All costs, charges and expenses (including any taxes and duties) whatsoever including stamp duty and registration fee of any deed, in document, instrument or the NCLT Order incurred or payable by the Transferor Company in relation to the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme shall be borne and paid by the Transferee Company.