

**SCHEME OF AMALGAMATION**

**OF**

**EMA INDIA LIMITED**

*(Transferor Company)*

**WITH**

**DYNALOG INDIA LIMITED**

*(Transferee Company)*

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

This Scheme of Amalgamation is presented under Section 230 to 232 of the Companies Act, 2013 and other applicable provisions and the rules prescribed thereunder, including any statutory modification, re-enactments or amendments thereof from time to time. This Scheme also provides for various other matters consequential and otherwise integrally connected therewith.

This Scheme is divided into following parts:

- A. **Part I** : deals with Introduction, Rationale and operation of the Scheme;
- B. **Part II** : deals with Definitions, Interpretations and Share Capital;
- C. **Part III** : deals with amalgamation of the Transferor Company with the Transferee Company in the manner more particularly set out therein;
- D. **Part IV** : deals with Accounting Treatment in respect of the Transferee Company;
- E. **Part V** : deals with General Terms and Conditions.

## PART I

### INTRODUCTION, RATIONALE AND OPERATION OF THE SCHEME

#### 1. INTRODUCTION

##### 1.1. EMA India Limited

1.1.1. EMA India Limited (CIN: L46529UP1971PLC003408) is a public limited company incorporated under the Companies Act, 1956 and has its equity shares listed on BSE Limited (hereinafter referred to as "*EMA*" or "*Transferor Company*").

1.1.2. The Transferor Company was formed on May 6, 1971, as '*EMA India Induction Heating Company Private Limited*'. Initially the registered office of the Transferor Company



was situated at Govind Nagar, Kanpur, Uttar Pradesh. Thereafter on November 1, 1975, the Transferor Company was converted to public limited company and the name was changed from 'EMA India Induction Heating Company Private Limited' to 'EMA India Induction Company Limited'. Subsequently, the name of the Transferor Company was changed to 'EMA India Limited'.

- 1.1.3. The Transferor Company has its registered office situated at 502, Gopala Chambers, 14/123, Parade, Kanpur -208001 (*the Transferor Company is in process of changing its registered office address from State of Uttar Pradesh to the State of Maharashtra*).
- 1.1.4. The Transferor Company is primarily engaged in the business of manufacturing machines of different kinds and description suitable for induction heating and hardening and implements, tools, jigs & dies, parts, components, assemblies, castings and machine-tools for special application and to purchase, import, export, sell and generally deal in the same and for that purpose to acquire by purchase, lease or otherwise necessary lands, buildings and other structures, plant and machinery with all accessories and other appurtenances and also to erect, construct, equip, maintain, add to or alter any buildings, structures, plant or machinery as may from time to time be necessary
- 1.1.5. Few of the main objects of the Transferor Company as set out in its Memorandum of Association is reproduced hereinbelow:
  1. *"To manufacture machines of different kinds and description suitable for induction heating and hardening and implements, tools, jigs & dies, parts, components, assemblies, castings and machine-tools for special application and to purchase, import, export, sell and generally deal in the same and for that purpose to acquire by purchase, lease or otherwise necessary lands, buildings and other structures, plant and machinery with all accessories and other appurtenances and also to erect, construct, equip, maintain, add to or alter any buildings, structures, plant or machinery as may from time to time be necessary.*
  2. *To enter into technical, financial and/or other kind of collaboration with M/s. Elektro Maschinen K.G. of West Germany and/or other firms or Government Department in or outside India on the basis of payment of royalty or an outright sum or both for the fulfilment of the Company's objectives and to take over and effect transfer in the name*



*of Company at all or any approvals, sanctions, licences and permits granted to the promoters*

3. *To purchase, import, export, sell and generally deal in all sorts of fuel oils (mineral and synthetic) including kerosene, gasolene/petrol, diesel, solvent oil, furnace oil. Gases, spirits, lubricating oils, greases, waxes, paints, varnishes, natural and synthetic resins, batteries, distilled water and other auxiliary materials which are required for running, maintaining, up-keep and servicing of the products for the time being manufactured or dealt with by the Company.*
4. *To acquire, erect, construct, establish, maintain, improve, manage, alter, carry on, control or work and contribute towards acquisition, erection, construction, establishment, maintenance, improvement, managing, alteration, carrying on, controlling, working of training centres, schools, colleges and institutions as may be necessary for imparting training, education, experience and guidance to the employees of the Company (present, past or future, including their wives, widows, family members and dependents), prospective buyers, customers, users, stockists, agents and distributors of the Company's products for the time being manufactured or dealt with by the Company to ensure their proper use, up-keep and to render efficient and effective after-sale-service*
5. *To establish, run, maintain, manage or contribute towards establishment, running, maintaining and managing after-sale-service stations/booths, garages, workshops, stalls (mobile and immobile) for after-sale-service, care, repairs, oiling, lubricating and cleaning of any of the company's products being manufactured or dealt with by the Company.*
  - a. *to act as agents, representatives, stockists, brokers, dealers, importers, exporters, warehousemen for manufacturers, merchants and others, whether Indian or Foreign, and to enter into agreements or arrangements with parties including Government, Semi-Government, Agricultural Corporations and private parties for promotion of any of their products or articles including but not limited to textile goods of all kinds and fibers, engineering goods, machineries of all kinds and description used in various industries, Electrical fittings and wiring accessories, quality control and measuring instruments, furniture and related fittings, leather goods and made ups, chemicals, handicrafts including brassware, rubber goods, plastic goods, gems, jewellery, bullion, items used by information media, computers including hardware and software and computer peripherals, electronic equipment, television, communication equipment, medical, surgical and diagnostic equipment, navigational and aerospace aids and equipment, railway equipment and*



*components, equipment and components used by transport and passenger vehicles, energy devices, paper and board and their product including machinery, beauty aids, cosmetics, audiovisuals aids and equipment, lighting equipment, products of floriculture and aquaculture, eatables/food related articles, mineral products and machinery, refrigeration and cooling equipment, timber and its products, and other merchandise of all types.*

6. *To carry on the business of manufacturers, buying, selling, importing, exporting, dealing in, assembly, fit, repair, convert, overhaul, alter, maintain and improve all types of electronic components, devices, equipment, and appliances and such other allied items intended for use in electronic devices, equipment, used in generation, transmission and receiving of sound, light, and electrical impulses and component parts thereof and other materials used in or in connection with electronic industry;*
7. *To carry on the business of manufacturers and dealers in audio visual and electronic components of every sort and kind of musical instruments of all kinds and every kind of instrument, device, appliances, components, accessory whereby sound or vision are recorded, amplified, produced, re-produced, transmitted or received;*
8. *To carry on the trades and business of manufacturers of and dealers in as principal, agents, contractors, trustee or otherwise, in the field of explosives, ammunition, and other explosive products and accessories of all kinds and of whatsoever composition and whether for military, sporting, mining or industrial purposes or for petrochemicals;*

*(b) The ancillary objects of the Company shall be:*

9. *To undertake and execute any contract or contracts for works involving the supply or use of any of the Company's products being manufactured or dealt with by the Company and to carry out any ancillary or other works comprised in such contract or contracts."*

1.1.6. The shares of the Transferor Company are listed on BSE Limited.

1.1.7. The Transferee Company and its promoters collectively are in control and management of the Transferor Company and collectively hold 45.03% of the total issued, subscribed and paid up the Transferor Company.

1.2. **Dynalog India Limited**



- 1.2.1. Dynalog India Limited (CIN: U32109MH1985PLC036338) is a public unlisted company incorporated under the provisions of the Companies Act, 1956 on May 24, 1985 (hereinafter referred to as "*DIL*" or "*Transferee Company*").
- 1.2.2. The Transferee Company has its registered office situated at G-Wing, 3<sup>rd</sup> Floor Park Site, Kailash Vaibhav, Behind Godrej Colony, Vikhroli (W), Mumbai – 400079, Maharashtra, India.
- 1.2.3. The Transferee Company is primarily engaged in the business of providing technology solutions in the domain of electronics and control systems to various industries, including Defence Sector in India. The Transferee Company is active in the defence business segment for over last 30 (*thirty*) years and has been supplying numerous rugged defence electronics products and sub-system for ground based static, mobile, airborne and naval applications ranging from missile launcher to electronic warfare and communication. The Transferee Company has undertaken design, development, supply and turnkey execution of several DRDO Projects. In defence sector, the Transferee Company provides security solutions & surveillance systems, rugged customized products, obsolescence management and turnkey integrated systems.
- 1.2.4. The Transferee Company is registered with Government of India, Ministry of Defence, Defence Research and Development Organization, Combat vehicle and Development establishment as approved Vendor. The Transferee Company is also ISO 9001-2008 certified and its defence unit is certified for AS9100C.
- 1.2.5. The main objects of the Transferee Company as set out in its Memorandum of Association is reproduced hereinbelow:

*" To manufacture, buy, sell, export, import, deal in, assemble, fit, repair, convert, overhaul, alter, maintain, and improve all types of electronic components, devices, equipments, and appliances allied items intended for used in electronic devices, equipments, used in generation, transmission and receiving of sound, light and electrical impulses and component arts thereof and other materials used in or in connection with electronic industries, and to acquire and undertake the proprietary business of M/s Dynalog Micro Systems.*

"



## 2. RATIONALE

- 2.1. The amalgamation of the Transferor Company with the Transferee Company is based on the following rationale:
- 2.1.1.1. The promoter and promoter group of the Transferor Company and the Transferee Company are the same who are highly skilled.
- 2.1.1.2. The amalgamation of the Transferor Company, being the listed company, with the Transferee Company shall allow the group to leverage the market reach of the Transferor Company for ensuring the accelerated growth and development of the business of the Transferee Company as a consolidated entity.
- 2.1.1.3. Upon the scheme coming into effect, in compliance with the Rules 19(2)(b) of Securities Contracts Regulations (Rules), 1957, the Transferee Company shall apply to BSE Limited for listing of its equity shares to unlock its true potential. Further, the public shareholders of the Transferor Company at large will gain from this amalgamation with the Transferee Company since the public shareholders of consolidated entity will have much larger asset portfolio of the Transferee Company and a new line of business as well.
- 2.1.1.4. The amalgamation will reduce number of legal entities and lead to simplification of the group structure. The rationalizing of the group structure by reducing the number of legal entities shall lead to significant cost savings.
- 2.1.1.5. The amalgamation will result in economy of scale, reduction in overheads, administrative and other expenditure, efficiency, and optimal utilisation of various resources.
- 2.1.1.6. The amalgamation will result in reduction in legal and regulatory compliances that are currently carried out by multiple entities.



- 2.1.1.7. The proposed amalgamation will reduce managerial overlaps and duplication of administrative functions will be eliminated, resulting in over-all reduction in expenditure.
- 2.1.1.8. The amalgamation would result in having a unified approach to customer interactions, as well as lender engagement under a single platform which would further simplify operations, thereby enhancing customer and lender servicing experiences.
- 2.1.1.9. As on December 31, 2025, Transferor Company has a net worth of Rs.4.9 crore and Transferee Company has a net worth of Rs.46.55 crore. The combined entity will have net worth of around Rs.51.45 crore. The size and financial strength will enable the merged entity with more negotiation power for debt finance and the merged entity will have option of equity financing.
- 2.2. There is no likelihood that any shareholder or creditor or employee, if any, of the Transferor Company and Transferee Company would be prejudiced as a result of the Scheme. Thus, the amalgamation is in the interest of the shareholders, creditors and all other stakeholders of the companies and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

### **3. OPERATION OF THE SCHEME**

- 3.1. This Scheme (as defined hereinafter) is presented under Sections 230 to 232 of the Companies Act, 2013, and other applicable provisions of the relevant Act for:
- 3.1.1. Amalgamation of the Transferor Company with the Transferee Company; and
- 3.1.2. various other matters consequential or otherwise integrally connected herewith.

## **PART II**

### **DEFINITIONS, INTERPRETATIONS AND SHARE CAPITAL**



#### 4. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, (i) capitalized terms defined by inclusion in quotations and/or parenthesis shall have the meaning so ascribed; and (ii) the following expression shall have the following meanings:

- 4.1. "**Act**" shall mean the Companies Act, 2013, along with rules and regulations issued thereunder, including, any statutory modifications, re-enactments or amendments made thereto from time to time.
- 4.2. "**Adjudicating Bodies**" shall mean the Hon'ble National Company Law Tribunal, Mumbai Bench having jurisdiction in relation to the Transferee Company and the Hon'ble National Company Law Tribunal, Allahabad Bench or any other Bench of the National Company Law Tribunal having jurisdiction in relation to the Transferor Company (*as the Transferor Company is in process of changing its registered office address from State of Uttar Pradesh to the State of Maharashtra*), as constituted and authorised as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement or amalgamation under sections 230 to 232 of the Act, or any other authority having jurisdiction under the Act to sanction the Scheme.
- 4.3. "**Applicable Law**" shall mean any and all statutes, enactments, acts of legislature or parliament, notification, ordinance, rules, regulations, orders, circulars, directives, byelaws, policies, code, guidelines, rule of common law, or instructions having force of law enacted or issued by Appropriate Authority/ Governmental Authority, tribunal, court or stock exchanges including any statutory modifications, re-enactments or amendments made thereto from time to time.
- 4.4. "**Appointed Date**" shall mean April 1 2026, or such other date as the Adjudicating Body(ies) may direct or fix, for the purpose of merger of Transferor Company into the Transferee Company under this Scheme.



- 4.5. "**Appropriate Authority**" or "**Governmental Authority**" shall mean any central, state or local government, legislative body, regulatory or administrative authority, statutory, departmental or public body or authority, agency or commission or quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi-governmental authority or any court, tribunal, quasi-judicial, board, bureau, instrumentality, judicial or arbitral body having jurisdiction over the territory of India and includes Registrar of Companies, Regional Director, SEBI, Stock Exchanges and Income Tax department.
- 4.6. "**Board**" or "**Board of Directors**" shall mean the respective board of directors of the Transferor Company and Transferee Company, as the case may be, and shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorised by the board of directors or such committee of directors.
- 4.7. "**BSE**" shall mean the BSE Limited.
- 4.8. "**Companies**" shall mean and collectively refer to the Transferor Company and Transferee Company.
- 4.9. "**Effective Date**" shall mean the last of the dates on which the certified copies of the order(s) of the Adjudicating Bodies sanctioning this Scheme, are filed with the relevant Registrar of Companies by the respective Transferor Company and Transferee Company.
- All references in this Scheme to the date of "coming into effect of the/this Scheme" or "Effectiveness of the Scheme" or "Scheme taking effect" shall mean the Effective Date.
- 4.10. "**LODR**" shall mean and refer to Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time.



- 4.11. "**Record Date**" shall mean the date fixed by the Board of the Transferee Company in consultation with the Transferor Company for the purpose of determining the members of the Transferor Company to whom shares will be issued and allotted by the Transferee Company pursuant to the relevant provisions of this Scheme.
- 4.12. "**Registrar of Companies**" or "**ROC**" shall mean and refer to the Registrar of Companies at Mumbai having jurisdiction in relation to the Transferee Company and Registrar of Companies at Kanpur or any other Registrar of Companies having jurisdiction in relation to the Transferor Company (*as the Transferor Company is in process of changing its registered office address from State of Uttar Pradesh to the State of Maharashtra*).
- 4.13. "**Transferor Company**" "**EMA**" shall mean and refer to EMA India Limited (holding CIN: L46529UP1971PLC003408 and PAN: AAACE4129K).
- 4.14. "**Transferee Company**" or "**Dynalog India Limited**" shall mean and refer to Dynalog (India) Limited (holding CIN: U32109MH1985PLC036338 and PAN: AACCD9802G).
- 4.15. "**SEBI**" shall mean the Securities and Exchange Board of India.
- 4.16. "**SEBI Circular**" shall mean the circulars issued by Securities and Exchange Board of India in relation to the amalgamations and arrangements carried out under the Act and shall, *inter-alia*, collectively refer to SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017, SEBI Circular no. CFD/DIL3/CIR/2017/26 dated March 23, 2017, the SEBI Circular no. CFD/DIL3/CIR/2018/2 dated January 03, 2018, the SEBI Circular SEBI/HO/CFD/DIL1/CIR/P/2019/192 dated September 12, 2019 and the SEBI Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023.
- 4.17. "**SEBI SAST**" shall mean Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as may be amended from time to time.



- 4.18. "*Scheme*" or "*the Scheme*" or "*this Scheme*" shall mean this Scheme of Amalgamation in its present form submitted to the relevant Adjudicating Bodies with modification(s), approved or imposed or directed by the Adjudicating Bodies.
- 4.19. "*Tax*" shall mean all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies and whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and services or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, advance tax, minimum alternate tax or otherwise or attributable directly or primarily to the Transferor Company, Transferee Company or any other person and all penalties, charges, costs and interest relating thereto.
- 4.20. "*Transferor Undertaking*" shall mean and include:
- 4.20.1. All the assets and properties of the Transferor Company, whether real, tangible or intangible, present or future, actual or contingent, or whether recorded in the books or not, as on the commencement of the Appointed Date;
- 4.20.2. All debts, liabilities, duties and obligations of the Transferor Company, whether fixed, contingent or absolute, as on the commencement of the Appointed Date;
- 4.20.3. Without prejudice to the generality of sub-clause 4.20.1 and 4.20.2 above, the Transferor Undertaking shall mean and include:
- 4.20.3.1. all the assets and properties, whether movable or immovable, real or personal, fixed assets, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent assets including stock, investments, insurance policies, claims, powers, authorities, allotments, approvals, registrations, contracts, engagements, arrangements, rights, titles, interests, benefits, advantages, lease-hold rights, tenancy rights, permits, authorisations, quota rights, including reserves, provisions, funds, contributions (including to any provident fund, employee state insurance, gratuity fund or any other schemes or benefits for employees), utilities, electricity, telephone, data,



water and other service connections, books, records (including employee records and files), files, papers, engineering and process information, computer programmes along with licenses, drawings, backup copies, websites, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form, benefits of agreements, contracts and arrangements, powers, authorities, balances with all regulatory authorities, liberties, advantages, easements and all the right, title, interest, goodwill, reserves, provisions, advances, receivables, funds, cash, bank balances, accounts, earnest moneys/ security deposits and all other rights, claims and powers, of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company as on the commencement of the Appointed Date and all earnest money and/or deposits including security deposits paid by the Transferor Company as on the commencement of the Appointed Date and all other rights, obligations, benefits available under any rules, regulations, statutes including direct and indirect tax laws, central goods and services tax, state goods and services tax and particularly Sales Tax benefits, advance taxes, self assessment tax, tax deducted at source, CENVAT benefits, import and export benefits and custom duty benefits, MAT credit, tax deferrals, accumulated tax losses, unabsorbed tax depreciation of the Transferor Company;

- 4.20.3.2. all the licenses and approvals issued in favour of the Transferor Company for conducting its business, and any license fee paid with any Governmental Authority that may have been paid by the Transferor Company;
- 4.20.3.3. all intellectual property rights including trademarks, brands, domain names, trade names and the goodwill associated therewith, patent rights copyrights and other industrial designs and intellectual properties and rights of any nature whatsoever including know-how assignments and grants in respect thereof of the Transferor Company;
- 4.20.3.4. all employees of the Transferor Company;



and in each case, as on the commencement of the Appointed Date and as modified and altered from time to time to the Effective Date.

## 5. INTERPRETATION

In this Scheme, unless the context otherwise requires:

- 5.1. words denoting singular shall include plural and *vice versa*;
- 5.2. headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;
- 5.3. references to the word "*include*" or "*including*" shall be construed without limitation;
- 5.4. a reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;
- 5.5. unless otherwise defined, the reference to the word "*days*" shall mean calendar days;
- 5.6. references to dates and times shall be construed to be references to Indian dates and times;
- 5.7. reference to a document includes an amendment or supplement to, or replacement or novation of, that document;
- 5.8. word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them; and
- 5.9. references to a person include any individual, firm, body corporate (whether incorporated or not), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives' body (whether or not having separate legal personality).



6. **SHARE CAPITAL**

- 6.1. The Share Capital of Transferor Company as on the date of approval of the Scheme by the Board, is as under:

Particulars	Amount (in Rs.)
<b>Authorised Share Capital</b>	
27,50,000 Equity Shares of Rs.10 each	2,75,00,000
25,000 Preference Shares of Rs.100 each	25,00,000
<b>Total</b>	<b>3,00,00,000</b>
<b>Issued, subscribed and paid-up share capital</b>	
10,05,000 Equity Shares of Rs.10 each	1,00,50,000
<b>Total</b>	<b>1,00,50,000</b>

- 6.2. The Share Capital of Transferee Company as on the date of approval of the Scheme by the Board, is as under:

Particulars	Amount (in Rs.)
<b>Authorised Share Capital</b>	
370,02,000 Equity Shares of Rs. 10 each	370,020,000
<b>Total</b>	<b>370,020,000</b>
<b>Issued, subscribed and paid-up share capital</b>	
50,00,754 Equity Shares of Rs.10 each fully paid up	50,00,75,400
<b>Total</b>	<b>50,00,75,400</b>

**PART III**  
**AMALGAMATION OF TRANSFEROR COMPANY WITH TRANSFEREE**  
**COMPANY**

**7. TRANSFER AND VESTING OF ASSETS AND LIABILITIES OF TRANSFEROR COMPANY INTO TRANSFEREE COMPANY**

- 7.1. The entire assets, liabilities, business and undertaking (including the Transferor Undertaking) of the Transferor Company shall with effect from the Appointed Date and upon the Scheme becoming effective, and subject to the provisions of this Scheme, applicable provisions of the Act and in accordance with the provisions of Section 2(1B) of the Income Tax Act (or the corresponding Section 2(6) of the Income Tax Act, 2025, as may be applicable), as may be amended from time to time, shall stand amalgamated with the Transferee Company as a *going concern* and all assets and liabilities of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in and/or deemed to be transferred to and vested in Transferee Company so as to become as and from the Appointed Date, the assets and liabilities of Transferee Company by virtue of operation of law and in the manner provided in the Scheme.
- 7.2. Without prejudice to the generality of Clause 7.1 above, upon the Scheme becoming effective, with effect from the Appointed Date, the Transferor Undertaking including all the assets (whether corporeal, incorporeal, movable or immovable), property (land and building (whether owned, leased, licensed or otherwise) under the possession of the Transferor Company, rights, titles and benefits, all property and all structures standing thereon, equipment, buildings, the fixed and movable machinery, furniture and fixtures, electrical installations, residential units, offices and other commercial units, capital work in progress, equipment, investment properties (including land, buildings, the fixed and movable furniture and fixtures), arrangements/ investments in joint ventures, partnership firms, capital investment, associations of persons, investments in mutual funds, other financial assets including fixed deposits with banks, deferred tax assets, if any, current assets including security deposits, advances, finished goods, stock



in trade, trade receivables, bills, credits, reserves, and deposits with any government, quasi -government, local or other authority or body or with company or other person, funds, permissions, income tax assets including Tax benefits incentives, if any, business licenses, permits, allotment letters, lease, deeds and documents (including sale deeds, Power of Attorney(ies), terms sheets, memorandum of understanding), tenancy rights, letters of intent, authorizations, registrations, intellectual property rights such as copyrights, patents, trademarks, trade names and other industrial or intellectual property rights of any nature whatsoever, privileges, liberties, easements, advantages, benefits and approvals, deposits, advance and other taxes paid to the authorities, consent, approvals or powers of every kind and description, agreements, software license, domain/ website etc., applications, statutory permissions, consents and registrations or approvals obtained from state and central government, quasi-governments, quasi-judicial authorities, statutory authorities and other relevant authorities shall vest in the Transferee Company.

- 7.3. This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) and other relevant provisions of the Income Tax Act, 1961, *(or the corresponding section i.e., Section 2(6) and other relevant provisions of the Income Tax Act, 2025, as may be applicable)*. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section and other related provisions 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 and other related provisions of the Income Tax Act, 1961/Income Tax Act, 2025, as may be applicable, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) and other relevant provisions of the Income Tax Act, 1961, *(or the corresponding section i.e., Section 2(6) and other relevant provisions of the Income Tax Act, 2025, as may be applicable)*.
- 7.4. In respect of assets of Transferor Company which are movable in nature (including without limitation to the plant and machinery and intangible assets) or otherwise capable of manual delivery/ transfer by delivery of possession or by endorsement and



acknowledgment of possession, shall be so transferred by the Transferor Company and shall become the property of the Transferee Company upon the Scheme coming into effect and without requiring any separate deed or instrument or conveyance for the same to the end and intent that the property and benefits therein passes to the Transferee Company.

- 7.5. With respect of the assets of Transferor Company other than those referred in Clause 7.4 above, including all rights, title and interests in the agreements, investments, sundry debtors, claims from allottees/ customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balance and deposits, if any, with any Appropriate Authority, allottees/ customers and other persons, whether or not the same is held in the name of the Transferor Company, the same shall without any further act, instrument or deed be transferred to and vested in or deemed to be transferred to and vested in the Transferee Company with effect from the Appointed Date by operation of law.
- 7.6. In respect of the immovable assets and properties of the Transferor Company, whether recorded or not in the books of the Transferor Company, including rights, interest, claims and easements in relation thereto, the same shall stand transferred to and be vested in the Transferee Company with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Transferor Company and/or the Transferee Company.
- 7.7. For avoidance of doubt, upon the Scheme coming into effect, all the rights, title (including ownership title), interest and claims of the Transferor Company in any leasehold and/or owned properties shall, pursuant to Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of Act, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company.
- 7.8. The assets/ projects and liabilities of the Transferor Company acquired by said respective companies on and from the Appointed Date upto the Effective Date, shall



also without any further act, instrument or deed stand transferred to or be deemed to have been transferred to the Transferee Company upon the Scheme coming into effect.

- 7.9. For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Scheme coming into effect, all approvals, permits, quotas, environmental approval and consents, consents, commencement certificates, permissions (municipal and any other statutory permission), licenses, accreditations to trade and industrial bodies, privileges, powers, facilities, certificates, clearances, membership, subscriptions, entitlements, incentives, engagements, remissions, remedies, powers, facilities, rehabilitation schemes, authorities, subsidies, concession, special status and other benefits or privileges (granted by any Governmental Authorities or by any other person) any exemptions or waivers of every kind and description of whatsoever- nature; powers of attorney given by, issued to or executed 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 thereunder, and the rights and benefits under the same shall be available to the Transferee Company.
- 7.10. Upon the Scheme becoming effective, all debts, liabilities, debentures, loans, obligations and duties of the Transferor Company as on the date (at the close of business) preceding the Appointed Date, whether or not provided in the books of accounts and whether or not disclosed shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Transferee Company to the extent they are standing outstanding as on the Appointed Date and the Transferee Company shall discharge, and satisfy the same.
- 7.11. With effect from the /Appointed Date, and subject to the provisions of this Scheme, the liabilities of Transferor Company including, but not limited to all secured and unsecured debts, sundry creditors, liabilities (including contingent liabilities), and all duties and obligations (including any guarantees, indemnities, letter of credit or any other instrument or arrangement which may give rise to a contingent liability in whatever form) of every kind, nature and description whatsoever and howsoever



arising, raised or incurred or utilized for its business activities and operations, shall, pursuant to the sanction of this Scheme by the Adjudicating Bodies and under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument or deed or matter or thing be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding on the Effective Date so as to become, as and from the Appointed Date, the liabilities of the Transferee Company on the same terms and conditions as were applicable with Transferor Company, without any consent of any third party or other person who is a party to the contract or arrangements by virtue of which such liability has arisen in order to give effect to the provisions of this Clause.

- 7.12. As a consequence of the amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme, the recording of change in name from the Transferor Company to the Transferee Company, whether for the purposes of any license, permit, approval or any other reason, or whether for the purposes of any transfer, registration, mutation or any other reason, shall be carried out by the concerned statutory or regulatory or any other authority without the requirement of payment of any transfer or registration fee or any other charge or imposition whatsoever.
- 7.13. Where any such debts, loans raised, liabilities, duties and obligations of the Transferor Company as on the Appointed Date have been discharged or satisfied by Transferor Company, after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.
- 7.14. With effect from the Appointed Date, all guarantees, indemnities and contingent liabilities of the Transferor Company shall also, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as and from the Appointed Date, as the guarantees, indemnities and contingent liabilities of the Transferee Company and 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 guarantees, indemnities and contingent liabilities have arisen or given, in order to give effect to the provisions of this Clause.

- 7.15. The transfer and vesting of Transferor Company as aforesaid, shall be subject to the existing securities, charges, hypothecation and mortgages, if any, subsisting over or in respect of their property and assets or any part thereof, provided however, any reference in any security documents or arrangements, to which Transferor Company is a party, wherein the assets of Transferor Company have been or are offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to as are vested in the Transferee Company by virtue of this Scheme, to the end and intent that such security, charges, hypothecation and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferee Company, provided further that the securities, charges, hypothecation and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Transferee Company shall continue with respect to such assets or part thereof, and this, Scheme shall not operate to enlarge such securities, charges, hypothecation of mortgages to the end and intent that such securities, charges, hypothecation and mortgages shall not extend or be deemed to extend, to any of other assets of Transferor Company vested, in the Transferee Company. Notwithstanding anything contrary provided in this Scheme, it is clarified that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company which shall vest in the Transferee Company by virtue of the vesting of Transferor Company with the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security therefore after the amalgamation has become operative.
- 7.16. All inter party transactions between the Transferor Company and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due *inter-se* i.e. between Transferor Company and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.



- 7.17. Without prejudice to the other provisions of this Scheme, the Transferee Company may, at any time after the Scheme becoming effective, in accordance with the provisions hereof, if required by any applicable law or otherwise, take such actions or execute such documents or deeds or make such applications to the Governmental Authorities or any third person for the purposes of transfer/vesting of the approvals, sanctions, consents, permits, rights, entitlements, contracts or arrangements to which Transferor Company was entitled to or party to, as the case may be and such authority or third party shall pursuant to sanction of this Scheme by Adjudicating Bodies, deem to take on record in the name of the Transferee Company. The Transferee Company shall make applications to any Governmental Authorities or any third persons (as the case may be) as may be necessary in this behalf.
- 7.18. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that the vesting of Transferor Company occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the Scheme coming into effect in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds (not limited to deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangements to which the Transferor Company was a party or any writing as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of the Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities and compliances as required by the Transferor Company.
- 7.19. The Transferee Company shall be entitled to the benefit of all insurance policies which have been issued in respect of the Transferor Company and the name of the Transferee Company shall be substituted as "*Insured*" in the policies as if the Transferee Company was initially a party.
- 7.20. All existing and future incentives, benefits, brought forward losses (if any), book, unabsorbed depreciation, tax unabsorbed depreciation, un-availed credits and exemptions and other statutory benefits (including refunds), including in respect of

income tax, excise (including CENVAT), customs, central goods and services tax, state goods and services tax, integrated goods and services tax, value added tax, sales tax, service tax etc., to which the Transferor Company are entitled to in terms of the various statutes / schemes / policies, etc., of Union and State Governments shall be available to and shall vest in the Transferee Company upon this Scheme becoming effective. Accordingly, upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise, if it becomes necessary, its Income Tax returns, Sales tax returns, Excise & CENVAT returns, service tax returns, other tax returns, and to claim refunds/ credits, pursuant to the provisions of this Scheme. the Transferee Company is also expressly permitted to claim refunds and credits in respect of any transaction between or amongst the Transferee Company and the Transferor Company.

- 7.21. All taxes, including, Income Tax, tax on book profits, service tax, value added tax, central goods and service tax, state goods and service tax, integrated goods and services tax etc., paid or payable by the Transferor Company in respect of their respective operations and/ or their respective profits before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payment (including, without limitation, Income Tax, tax on book profits, value added tax, etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by Transferor Company in respect of their profits or activities or operation after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Any tax deducted at source on account of the respective inter-corporate loans or balances between the Transferor Company and the Transferee Company which has been deemed not to be accrued, shall be deemed to be advance taxes paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 7.22. On and from the Effective Date and till such time that the name(s) of the respective bank accounts of the Transferor Company has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company for such time as may be deemed necessary by the Transferee Company.



- 7.23. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. Similarly, the banker of the Transferee Company shall honour all cheques issued by the Transferor Company for payment after the Effective Date.
- 7.24. Without prejudice to the provisions of Clause 7 and upon occurrence of the Effective Date, the Transferor Company and the Transferee Company may execute any and all instruments or documents and do all such acts, deeds, and things as may be required, including filing of necessary particulars and/or modifications of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or person to give effect to this Scheme.

## **8. STAFF, WORKMEN AND EMPLOYEES**

- 8.1. On the Scheme coming into effect, all the employees of the Transferor Company in service on such date shall be deemed to have become employees of the Transferee Company with effect from the Effective Date without any break in their service, and on the basis of continuity of service and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the Effective Date.
- 8.2. The position, rank and designation of the employees would however be decided by the Transferee Company. Any salary, compensation, fringe benefits, perquisites and other kinds of consideration given by the Transferor Company from the Appointed Date till the Effective Date will be deemed to have been paid by the Transferee Company.
- 8.3. The accumulated balances, if any, standing to the credit of and in favour of the aforesaid employees in the existing provident fund, gratuity fund, superannuation fund, and any other fund of which they are members, as the case may be, will be transferred to the respective funds set up by the Transferee Company in accordance with Applicable Laws



and caused to be recognized by the Appropriate Authorities. Pending the transfer as aforesaid, the dues of the said employees would continue to be deposited in the existing provident fund, gratuity fund, superannuation fund, and any other fund of the Transferor Company and such funds shall be for the benefit of employees transferred under this Scheme.

## 9. CONTRACTS, DEEDS AND STATUTORY CONSENTS

- 9.1. On coming into effect of this Scheme, without any further acts, deeds and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, engagements, arrangements and other instruments (including all licenses, and other assurances in favour of the Transferor Company or powers or authorities granted by or to it) of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, or under which the Transferor Company has any obligations to discharge and which are subsisting or having effect shall, without any further act, instrument or deed, continue in full force and effect in favour of or against the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto or thereunder.

## 10. LEGAL PROCEEDINGS

- 10.1. If any suit, cause of actions, appeals, petitions, or any other legal, quasi-judicial, arbitral, and/or other administrative proceedings of whatever nature by or against the Transferor Company are pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of amalgamation or of anything contained in this Scheme, but the said proceedings may be continued, prosecuted or enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceedings on or behalf of the Transferor Company.



- 10.2. From the Appointed Date and until the Effective Date, the Transferor Company shall defend all legal proceedings, other than in the ordinary course of business, with the advice of and on the instructions of the Transferee Company.
- 10.3. The transfer and vesting of the assets and liabilities under the Scheme and the continuance of the proceedings by or against the Transferee Company shall not affect any transaction or proceeding already completed by the Transferor Company between the Appointed Date and the Effective Date to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company as acts, deeds and things done and executed by and on behalf of the Transferee Company.

## 11. CONSIDERATION FOR AMALGAMATION

- 11.1. On coming into effect of this Scheme and upon transfer and vesting to the business, assets, liabilities, undertaking of the Transferor Company to the Transferee Company in the manner provided in this Scheme, the consideration in respect of such transfer shall be paid and satisfied by the Transferee Company to the shareholders of the Transferor Company (*other than the Transferee Company*) whose name appears in the register of members of the Transferor Company as on the Record Date or to their respective heirs, executors, administrators, legal representatives or the successors in title, as the case may be, as may be recognized by the Board of Directors of the Transferee Company. The Transferee Company, without further application, act or deed, shall issue and allot to each of the shareholder of Transferor Company (other than the Transferee Company) 28 (*twenty eight*) fully paid equity shares of face value Rs.10 each in the Transferee Company for every 25 (*twenty five*) fully paid equity shares of Rs.10 each held in the Transferor Company by such shareholder whose name is recorded in the register of members and records of the depository as members of Transferor Company as on the Record Date pursuant to this Scheme ("*New Shares*").



- 11.2. Pursuant to the issuance of the New Shares as aforesaid to the shareholders of the Transferor Company, the shareholders of the Transferor Company shall become the shareholders of the Transferee Company.
- 11.3. For arriving at the share exchange ratio as outlined above, the Transferor Company and the Transferee Company have considered the Valuation Report submitted by SSPA & Co. Chartered Accountants Registered Valuer (Reg. No. :IBBI/RV-E/06/2020/126) dated March 27, 2026. Mark Corporate Advisors Pvt. Ltd., Mumbai, Merchant Banker has provided its fairness opinion dated March 27, 2206 on the Valuation Report issued by SSPA & Co. Chartered Accountants (Reg. No. :IBBI/RV-E/06/2020/126). The aforesaid report on Share Exchange Ratio and Fairness Opinion have been duly considered by the Committee of Independent Directors, Audit Committee of the Transferor Company and the Board of Directors of the Transferor Company and the Transferee Company, respectively.
- 11.4. The Scheme along with the aforementioned Valuation Report and the Fairness Opinion, both dated March 27, 2026, has been approved by the Board of the Companies *vide* their respective board resolution dated March 27, 2026.
- 11.5. In the event of there being any pending and valid share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors, or any committee thereof, of the Transferor Company shall be empowered in appropriate cases, even subsequent to the Record Date, as the case may be, to effectuate such a transfer in the Transferor Company, as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the Transferor Company or the Transferee Company, as the case may be, in respect of such shares
- 11.6. In case any fraction arises out of allotment of equity shares (New Shares) as per above mentioned clauses, the Board of directors of the Transferee Company shall consolidate all the fractional shares and shall, without any further application, act, instrument, or deed, issue and allot such consolidated shares directly to a trust (*who may be an*



*individual, a corporate body, a merchant banker or any other person as applicable*), nominated by the Transferee Company, who shall hold such equity shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heir, executors, administrators, successors, for the specific purpose of selling such shares in the open market at such price or prices and on such time or times within 90 (ninety) days from the date of allotment, as the trustee may in its sole discretion decide and on such sale, pay to the Transferee Company, the net sale proceeds (*after deducting the applicable taxes and costs incurred, if any*) thereof and any additions and accretions, whereupon the Transferee Company shall, subject to the withholding tax, if any, distribute such sale proceeds to the concerned eligible shareholders in proportion to their respective fractional entitlements.

- 11.7. The equity shares in the capital of the Transferee Company to be issued to the respective shareholders of Transferor Company shall rank *pari-passu* in all respects, with the existing equity shares in the Transferee Company from the Appointed Date. Such shares in the Transferee Company, to be issued to the shareholders of Transferor Company (*other than the Transferee Company*) will, for all purposes, save as expressly provided otherwise, be deemed to have been held by each such member from the Appointed Date.
- 11.8. In the event that the Companies restructure/ reorganize their equity share capital by way of share split/ consolidation/ issue of bonus shares during the pendency of the Scheme, the number of shares to be issued in consideration as per Clause 11.1 above; shall be adjusted accordingly to take into account the effect of any such corporate actions.
- 11.9. In the event the shares (under Clause 11.1) are required to be issued and allotted to such shareholders of the Transferor Company, being non-resident, the issue of such shares shall be in accordance with the provisions of the Foreign Exchange Management Act, 1999 and the applicable rules and regulations made thereunder (for the time being in force, including, any statutory modifications, re-enactments or amendments made thereto from time to time).



- 11.10. The issue and allotment of the shares (under Clause 11.1) to the shareholders of the Transferor Company as provided in the Scheme shall be carried out and the same would not require following of the procedure laid down under Section 42 and 62 of the Companies Act, 2013 and any other applicable provisions of the relevant Act.
- 11.11. The shares to be issued, under Clause 11.1 under this Scheme pursuant to this Clause 11 in respect of any equity shares of the Transferor Company which are held in abeyance under the provisions of Section 126 of the Companies Act, 2013 and other applicable provisions of the relevant Act shall, pending allotment or settlement of dispute by the order of court or otherwise, also be held in abeyance.
- 11.12. For the purpose of issue of the shares of the Transferee Company as contemplated in this Clause 11, the Transferee Company may, if and to the extent required, apply for and obtain the required statutory approvals from the Governmental Authorities for the said issue and allotment by the Transferee Company.
- 11.13. Subsequent to the sanction of the Scheme, the Transferee Company will make an application for listing of all its equity shares, including, the New Shares, on the stock exchange in which the shares of the Transferor Company are listed, subject to the execution of the listing agreement, necessary compliance and payment of appropriate fee shall under the provision of Rule 19(2)(b) of the Securities Contracts (Regulations) Rules, 1957, in pursuance to the relevant regulations including, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the SEBI Circulars. The Transferee Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with applicable laws or regulations for complying with the formalities of the stock exchange in which the shares of the Transferor Company are listed.
- 11.14. The New Shares issued pursuant to Clause 11.1 shall be allotted to the shareholders of the Transferor Company whose names are reflected in the register of members of the Transferor Company as on the Record Date, or their legal heirs, executors or administrators or (in case of a corporate entity) its successors.



- 11.15. The New Shares issued pursuant to Clause 11 shall mandatorily be issued in dematerialized form to those shareholders who hold shares of the Transferor Company in dematerialised form, into the account in which the shares of the Transferor Company are held or such other account as intimated in writing by the shareholders to the Transferor Company and its registrar at least 30 (thirty) days before the Record Date. All those shareholders who hold shares of the Transferor Company in physical form shall receive the New Shares in dematerialised form only provided that the details of their account with the depository participant are intimated in writing to the Transferor Company and its registrar at least 30 (thirty) days before the Record Date. If no such intimation is received from any shareholder who holds shares of the Transferor Company in physical form 30 (thirty) days before the Record Date, or if the details furnished by any shareholder do not permit electronic credit of the New Shares, then the Transferee Company shall hold such shares in abeyance or in escrow or with a trustee nominated by the Board of the Transferee Company for the benefit of such shareholders or shall deal with the shares as provided under Applicable Law and will credit the same to the respective depository participant accounts of such shareholders as and when the details of such shareholder's account with the depository participant are intimated in writing to the Transferee Company, if permitted under Applicable Law.
- 11.16. The shares allotted pursuant to the Scheme under this Clause 11 shall remain frozen in the depositories system until listing/ trading permission is given by the relevant stock exchanges.
- 11.17. The shares, to be issued by the Transferee Company under this Scheme to shareholders of the Transferor Company, in lieu of the locked in shares of shareholders of, if any, shall be subject to lock-in requirement for the remaining period in terms of the LODR read with the SEBI Circulars.
- 11.18. There shall be no change in the shareholding pattern or control in the Transferee Company between the Record Date and the listing of the shares of the Transferee Company by the relevant stock exchange in terms of this Scheme.



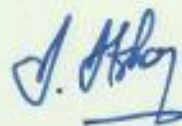
- 11.19. The Transferee Company and the Transferor Company shall duly comply with various provisions of the LODR read with the SEBI Circulars.
- 11.20. The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from the appropriate authorities including the Reserve Bank of India to the extent applicable for the issue and allotment of New Shares of Transferee Company by to non-resident equity shareholders of Transferor Company, if any, in terms of the Applicable Laws, including rules and regulations applicable to foreign investment.

## 12. CANCELLATION OF LOANS AND ADVANCES

- 12.1 Upon the Scheme coming into effect, all the loans, inter-corporate deposits, advances or any kind of debts, as the case may be, paid or subscribed by the Transferor Company in Transferee Company and *vice versa* shall, without any further act or deed, get cancelled at their respective face value.
- 12.2 Upon the Scheme coming into effect, any instrument either issued by the Transferor Company or Transferee Company in relation to any outstanding loans, advances and/or any kind of debts, as the case may be, as set out in Clause 12.1 shall also, without any further act or deed, get cancelled.
- 12.3 The obligations in respect of aforesaid loans, advances or any kind of debts, as the case may be, shall come to an end and a corresponding suitable effect shall be given in the books of accounts and records of Transferee Company. If required reduction/cancellation of such loans, advances or any kind of debts shall be reflected in the books of accounts and records of Transferee Company.

## 13. AGGREGATION OF AUTHORISED SHARE CAPITAL

- 13.1. Upon the Scheme coming into effect, in accordance with the provisions of Section 230 to Section 232 of the Act, the authorised capital of the Transferor Company shall stand combined/ consolidated with the authorised capital of the Transferee Company. Upon the Scheme coming into effect, the fees paid by the Transferor Company on their



authorised share capital shall, without any act or deed, be available as a set off to the Transferee Company in terms of Section 232(3)(i) of the Act. It is hereby clarified that the Transferee Company availing any set off of fees in relation to increase of its authorised share capital shall be effected as an integral part of this Scheme without any further act or deed on the part of the Transferor Company and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment. The Transferee Company shall not be obliged to follow the procedure or filing as required under Sections 13, 61, 64 of the Companies Act, 2013 or any other applicable provisions of the relevant Act. It is further clarified that no registration fee/ ROC fees, stamp duty etc., shall be payable by the Transferee Company to such extent.

13.2. The aforesaid quantum of merging of authorised share capital of the Transferor Company with the Transferee Company and consequent amendment to the Memorandum of Association of the Transferee Company is indicative in nature and the same shall be subject to change due to any increase in authorised share capital of the Transferor Company or the Transferee Company pursuant to the Appointed Date till the Scheme coming into effect. Any such increase in the authorised share capital of the Transferor Company or the Transferee Company pursuant to the Appointed Date till the Scheme coming into effect shall stand *ipso facto* added or clubbed to aggregate authorised share capital of the Transferee Company.

13.3. Clause V of the Memorandum of Association of the Transferee Company shall be amended by deleting the clause and replacing it by the following:

*"The Authorised Share Capital of the Company is 4,00,02,00,000 divided into 3,97,52,000 [Three Crores Ninety Seven Lakhs Fifty Two thousand Only] Equity Shares of Rs.10 each (Rupees ten only), aggregating to 39,75,20,000 only) AND 25,000 (Twenty Five Thousand) Preference Shares of Rs.100 (Rupees Hundred each) aggregating to 25,00,000 (Twenty Five Lakhs only) each with the rights, privileges and conditions attached thereto as per the relevant provisions contained in that behalf in the Articles of Association of the Company and with the power to increase or reduce the capital of the Company and divide the shares in the share capital for the*



*time being into several classes and to attach thereto respectively such preferential, qualified for special rights, privileges, or conditions in such manner as may be determined by or in accordance with the Articles of Association of the Company for the time being in force, and to vary, modify, enlarge or abrogate any such rights, privilege or conditions in such manner as may be permitted by the said Act or provided by the Articles of Association of the Company for the time being force."*

- 13.4. It is hereby clarified that an increase in authorised share capital of the Transferee Company if required, shall be affected as an integral part of this Scheme without any further act or deed on the part of the Transferee Company and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment. Clause 13.3 provides only indicative amount of authorised share capital of Transferee Company. Any addition to authorised share capital of Transferee Company in the intervening period between the Appointed Date and the Record Date shall have accordingly deemed to have amended Clause 13.3 to such extent, if required. The Transferee Company shall not be obliged to follow the procedure or filing as required under Sections 13, 61, 64 of the Act or any other applicable provisions of the Act. It is further clarified that no registration fee/ ROC fees, stamp duty etc., shall be payable by Transferee Company to an extent paid by the Transferor Company. Upon the Scheme coming into effect, the fees paid by the Transferor Company on their authorised share capital shall, without any act or deed, be available to set off to Transferee Company.

#### **14. VALIDITY OF EXISTING RESOLUTIONS**

- 14.1. Upon coming into effect of this Scheme, the resolutions of the Transferor Company including the approvals that may have been obtained by the Transferor Company from their shareholders, and which are valid and subsisting on the Effective Date, as are considered necessary by the Board of Directors of Transferee Company shall be considered as resolutions of 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 Transferee Company, shall be added to the limits, if any, under the like resolutions passed by Transferee Company.

**15. CONDUCT OF BUSINESS TILL THE EFFECTIVE DATE**

15.1. With effect from the Appointed Date and upto the Effective Date:

- 15.1.1. the Transferor Company shall carry on its business and activities in the normal course of business in consultation with Transferee Company till the vesting of the Transferor Undertaking and amalgamation of the Transferor Company with Transferee Company on the Effective Date and shall be deemed to have held or stood possessed of and shall hold and stand possessed of all the assets of the Transferor Company for and on account of and in trust for the Transferee Company;
- 15.1.2. all the profits or income accruing or arising in the Transferor Company in relation to the Transferor Undertaking or the expenditure or losses arising or incurred by the Transferor Company shall for all purposes be treated and be deemed to be and accrued as the profits and income or expenditure or losses of the Transferee Company;
- 15.1.3. the Transferor Company shall carry on its business activities with general prudence and shall not, without prior written consent of the Transferee Company alienate, charge or otherwise deal with or dispose off any of its business undertaking or any part thereof (except in the ordinary course of business or pursuant to any pre-existing obligations undertaken by the Transferor Company prior to the Appointed Date);
- 15.1.4. the Transferor Company shall also be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government, and all other agencies, departments and statutory authorities concerned, including Securities & Exchange Board of India (SEBI) and BSE Limited wherever necessary for such consents, approval and sanctions which the Transferee Company may require including the registration, approvals, exemptions, reliefs, etc., as may be required to be granted under any law for time being in force for carrying on business by the Transferee Company;



- 15.1.5. the Transferor Company shall not make any modification to its capital structure, either by increase, decrease, reclassification, sub-division or reorganisation or in any other manner, whatsoever, except by mutual consent of the Board of Directors of the Transferor Company and of the Transferee Company;
- 15.1.6. all the taxes of the Transferor Company in relation to their Transferor Undertaking, paid or payable by the Transferor Company, including Income Tax Refunds receivable, Tax Credits such as TDS Deducted by Customers/Banks, CENVAT Credit Balances, Goods and Services Tax Credit Balances, Goods and Services Tax Refunds due and Service Tax Refunds due, etc., shall be deemed to be taxes paid or payable by or Credits available (as the case may be) for the Transferee Company; and
- 15.1.7. the Transferor Company shall, with simultaneous intimation to the Transferee Company, take major policy decisions in respect of its assets and liabilities and its present capital structure.

## **16. DIVIDEND, PROFIT, BONUS, RIGHT SHARES**

- 16.1. At any time upto the Effective Date, the Transferor Company shall not declare dividends, distribute profits, or issue or allot any right shares or bonus shares or any other security converting into equity shares or other share capital or obtain any other financial assistance converting into equity shares or other share capital, unless agreed to by the Board of Directors of the Transferee Company.

## **17. RATIFICATION**

- 17.1. Except as provided in the Clauses above, the Transferee Company shall accept all acts, deeds and things relating to the Transferor Undertaking, done and executed by and/or on behalf of Transferor Company on and after the Appointed Date as acts, deeds and things done and executed by and/or on behalf of the Transferee Company, as the case may be.



## **18. DISSOLUTION OF TRANSFEROR COMPANY**

- 18.1. Upon the Scheme coming into effect, the Transferor Company shall stand dissolved without winding up and the Board of Directors and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and shall stand discharged. On and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the concerned ROC.

### **PART IV**

## **ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEREE COMPANY**

### **19. ACCOUNTING TREATMENT OF AMALGAMATION IN THE BOOKS OF THE TRANSFEREE COMPANY**

- 19.1. The transaction of merger of the Transferor Company with the Transferee Company being in nature of business combination of entities under common control, shall be accounted by the Transferee Company in its books of accounts as per pooling of interest method as prescribed under the provisions of Indian Accounting Standards (Ind-AS) or any other accounting standard in terms of Applicable Laws including - (Ind-AS) 103 – "Business Combination" prescribed under Section 133 of the Act read together with the Companies (Indian Accounting Standard) Rules, 2015.
- 19.2. All the assets and liabilities recorded in the books of the Transferor Company shall be transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at the book values as appearing in the financial statements of the Transferor Company.
- 19.3. The excess of assets over liabilities or deficit, if any, remaining after recording the entries as referred to in the aforesaid Clause over the face value of the New Shares allotted in accordance with the Clause 11.1 of the Scheme shall be considered as per the treatment specified in the relevant accounting standards.



- 19.4. The investments made by the Transferee Company in the equity share capital of the Transferor Company as appearing in the books of accounts of the Transferee Company shall stand cancelled and appropriate accounting treatment will be given in the books of Transferee company.
- 19.5. Inter-Company balances, if any, between the Transferor Company and the Transferee Company including any investment of the Transferee Company in the Transferor Company will stand cancelled.
- 19.6. All the reserves of the Transferor Company under different heads shall become the corresponding reserves of the Transferee Company in the same form and manner, as appearing in the financial statements of the Transferor Company or the consolidated financial statements of the Transferee Company (as the case may be) prior to the Effective Date. The balance of profit/ loss account of the Transferor Company will be adjusted/ off-set against the credit balance of the profit and loss account/ general reserve of the Transferee Company.
- 19.7. In case of any differences in accounting policy between Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the differences, if any, till the Appointed Date will be quantified and appropriately recorded in the Accounts of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy. The effects on the financial statements of any changes in accounting policies should be reported in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates & Errors.

#### PART V

#### GENERAL TERMS AND CONDITIONS

#### 20. APPLICATION TO ADJUDICATING BODIES



20.1. The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make applications/petitions (jointly, if permissible) under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act to the relevant Adjudicating Bodies, for sanctioning of this Scheme and all matters ancillary or incidental thereto.

**26. COMPLIANCE WITH SECTION 2(1B) OF THE INCOME TAX ACT, 1961 (OR THE CORRESPONDING SECTION 2(6) AND OTHER RELEVANT PROVISIONS OF THE INCOME TAX ACT, 2025, AS MAY BE APPLICABLE)**

26.1. The provisions of this Part III of the Scheme, as they relate to the amalgamation of the Transferor Company into the Transferee Company have been drawn up to comply with the conditions relating to "Amalgamation" as specified under the tax laws, including section 2(1B) and other relevant sections of the Income Tax Act, 1961 (or the corresponding section i.e., Section 2(6) and other relevant provisions of the Income Tax Act, 2025, as may be applicable) (references in this Scheme to Income Tax Act, 1961 shall also mean and include any amendment that may be notified from time to time. It is our understanding that a new Income Tax Act, 2025 shall be notified in the month of April 2026 and accordingly all references in this Scheme to the old Act shall include references to the corresponding provisions of the new act to the extent as may be applicable). If any terms or provisions of Part III of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason, whatsoever, the aforesaid provisions of the tax laws shall prevail. Part III of the Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Transferor Company and the Transferee Company, which power shall be exercised reasonably in the best interests of the companies concerned.

**27. MODIFICATIONS/ AMENDMENTS TO THE SCHEME**



- 27.1. The Transferor Company and the Transferee Company, acting through their respective Board of Directors or committees or such other person or persons, as the respective Board of Directors may authorize, may assent to any modifications or amendments to this Scheme, in any manner including for the avoidance of doubt any part thereof, which the Tribunal, SEBI and/or any other Governmental Authorities may deem fit to direct or impose, or which may otherwise be considered necessary or desirable in the absolute discretion of the respective Board of Directors or committees thereof or such other person or persons of the Companies as the respective Board of Directors may authorize, for settling any question or doubt or difficulty that may arise in implementing and/or carrying out this Scheme. The Companies, acting through their respective Board of Directors, be and are hereby authorised to take all such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any orders of the Tribunal or of any directive or orders of SEBI or any other Governmental Authorities or otherwise howsoever, arising, out of, under, or by virtue of this Scheme and/or any matters related to or connected therewith.
- 27.2. If, at any time, before or after the Effective Date, any provision(s) or Part(s) of this Scheme are found to be, or interpreted to be, invalid or illegal or inconsistent with any Applicable Law(s), or rejected, or unreasonably delayed, or not sanctioned by the Adjudicating Bodies or is or becomes unenforceable, under present or future Applicable Law(s), or due to any change in any Applicable Law(s), then it is the intention of the companies involved in this Scheme that such Part(s) shall be severable from the remainder of this Scheme and subject to Clause 27.1 other Parts/provisions of this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any of the Companies in the sole opinion of the Board of Directors of the relevant Companies. In such a case, the Companies, acting through their respective Board of Directors or committees or such other person or persons, as the respective Board of Directors may authorize, may at their discretion, either bring about such modification in this Scheme, as is likely to best preserve for the



relevant Companies, the benefits and obligations of this Scheme and/or withdraw the Scheme or any part thereof, wholly or partially.

- 27.3. For the purpose of giving effect of this Scheme or to any modifications or amendments, thereof, the Directors of the Transferor Company and the Transferee Company, or any person authorised in that behalf by the concerned Board of Directors, may give and is/are authorised to give all such directions that are necessary or are desirable including directions for settling any doubts or difficulties that may arise.

## 28. CONDITIONALITY OF THE SCHEME

- 28.1. Unless otherwise decided by the Board of the Transferor Company and the Transferee Company this Scheme is specifically conditional upon and subject to:

- 28.1.1. the approval of the Scheme by the requisite majority of the members, creditors and such class of persons of the respective Companies as required in terms of the applicable provisions of the Act as well as any requirements that may be stipulated by relevant Adjudicating Bodies in this respect;
- 28.1.2. the Scheme being approved by the public shareholders of the through e-voting in terms of Part - I (A)(10)(a) of the SEBI Master Circular No. SEBI/HOICFD/POD-2/PICIR/2023193 dated June 20, 2023 and the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme is more than the number of votes cast by the public shareholders against it;
- 28.1.3. sanction of the Adjudicating Bodies, being obtained under Sections 230 to 232 of the Companies Act, 2013, and other applicable provisions of the Act, if so, required on behalf of the Transferor Company and the Transferee Company;
- 28.1.4. the necessary certified copies of the order under Sections 230 to 232 of the Act, and other applicable provisions of the Act are duly filed with the ROC;



- 28.1.5. approval of the Securities and Exchange Board of India, the consent of the BSE, and/or any other statutory approval where such approval or consent is necessary; and if required;
- 28.1.6. such other sanctions and approvals as may be required to be obtained in respect of the Scheme under Applicable Law.

## 29. REVOCATION OF THE SCHEME

- 29.1. The Board of Directors of the Companies shall be entitled to revoke, cancel and declare the Scheme of no effect if such Board of Directors of Companies are of the view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up/ certified/ authenticated orders with any authority could have adverse implication on both/ any of the Companies or in case any condition or alteration imposed by the relevant Adjudicating Bodies or any other authority is not on terms acceptable to them.
- 29.2. If any part of this Scheme hereof is invalid, ruled illegal by any court of competent jurisdiction or unenforceable under present or future laws, then it is the intention of the parties that each 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 tiny party, in which case the patties shall attempt to bring about a modification in the Scheme, as will best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part.
- 29.3. The Board of the Companies, acting jointly, shall be at liberty to withdraw the Scheme (or a part thereof), any time before the Effective Date. In the event of withdrawal, no rights and liabilities whatsoever shall accrue to or be incurred *inter-se* the Companies or their respective shareholders or creditors or employees or any other person.

## 30. SCHEME IN ENTIRETY

- 30.1. Each part of the Scheme shall be given effect to as per the chronology in which it has been provided for in the Scheme. The provisions contained in this Scheme are



inextricably inter-linked with each other and the Scheme constitutes an integral whole. The Scheme would be given effect to only if it is approved in its entirety unless specifically agreed otherwise by respective Board of Directors of the Transferee Company and the Transferor Company or any Committee constituted by such Board.

- 30.2. Upon the Scheme becoming effective, if any Part of this Scheme hereof is invalidated, ruled illegal by any Court of competent jurisdiction, or un-enforceable under present or future laws, then it is the intention of the Parties 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, in which case the Parties shall attempt to bring about a modification in the Scheme, as will best preserve for the Parties the benefits and obligations of the Scheme, including but not limited to such Part.

### 31. COSTS AND EXPENSES

- 31.1. All costs, charges, and expenses payable in relation to or in connection with this Scheme or incidental to the completion thereof including stamp duty, if any, to the extent applicable and payable shall solely be borne by the Transferee Company.

