

Scheme of Merger by Absorption
Of
Innovassynth Technologies (India) Limited
With
Innovassynth Investments Limited
AND
THEIR RESPECTIVE SHAREHOLDERS

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

A. PREAMBLE:

This Scheme of Merger by Absorption (“Scheme”) is presented under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act 2013 and rules framed thereunder (including any statutory modification or re-enactment or amendment thereof), as may be applicable, for the merger by absorption of Innovassynth Technologies (India) Limited with Innovassynth Investments Limited.

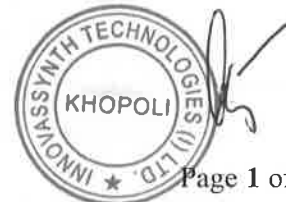
B. BACKGROUND AND DESCRIPTION OF THE COMPANIES

Innovassynth Technologies (India) Limited (hereinafter referred to as “ITIL” or the “Transferor Company”) is an unlisted public company, incorporated under the provisions of the Companies Act, 1956 on December 4, 2001 in the name of Innovasynth Technologies (India) Limited in the state of Maharashtra under CIN U24110MH2001PLC134105. The name of the Transferor Company was changed from Innovasynth Technologies (India) Limited to Innovassynth Technologies (India) Limited and a fresh certificate of incorporation consequent upon the change of name was issued on July 7, 2004. The registered office of the Transferor Company is situated at Innovassynth Technologies (India) Limited, old Mumbai – Pune Road, Raigarh, Khopoli, Maharashtra, India – 410203. The Transferor Company is engaged in developing, scaling up and manufacturing of speciality chemicals and pharmaceuticals intermediates.

Innovassynth Investments Limited (hereinafter referred to as “IIL” or the “Transferee Company”) is a public listed company, incorporated under the provisions of the Companies Act, 1956 on February 15, 2008 in the state of Maharashtra under CIN L67120MH2008PLC178923. The registered office of the Transferee Company is situated at Shop No. 17, C-Wing, S. No. 55, C.T.S. No. -1655, Leena Heritage Co.Op. Housing Society, Khopoli, Raigarh (MH), Khopoli, Maharashtra, India - 410203. The equity shares of the Transferee Company are listed on the BSE Limited. The Transferee Company is an investment company and holds investments in Transferor Company.

The Transferor Company and the Transferee Company are hereinafter collectively referred to as the “Parties”

C. RATIONALE OF THE SCHEME



The proposed corporate restructuring mechanism by way of a scheme of merger by absorption is beneficial, advantageous and not prejudicial to the interest of the shareholders, creditors and other stakeholders. The proposed amalgamation of Transferor Company into Transferee Company is in consonance with the global corporate restructuring practices which intends and seeks to achieve flexibility and integration of size, scale and financial strength. The Transferor Company and the Transferee Company believe that the financial, and other resources of the Transferor Company and the Transferee Company pooled in the merged entity, will lead to increased competitive strength, cost reduction and efficiencies and logistic advantages, thereby contributing to future growth. Therefore, the management of the Transferor Company and the Transferee Company believe that this Scheme shall benefit the respective companies, shareholders and other stakeholders of respective companies, inter-alia, on account of the following reasons:

- a) Consolidation of businesses of the group;
- b) The proposed merger will also provide scope for value unlocking for shareholders given that the business of Transferor Company has achieved scale;
- c) Integration of business operations and provide significant impetus to its growth;
- d) Greater efficiency in cash management of the merged entity, and unfettered access to cash flow generated by the business which can be deployed more efficiently to fund growth opportunities;
- e) Garner the benefits arising out of economies of large scale and lower operating costs;
- f) Avoidance of duplication of administrative functions, reduction in multiplicity of legal and regulatory compliances and cost;
- g) Merger will result in increase in net worth of Transferee Company, which will facilitate effective and fast mobilization of financial resources for meeting increased capital expenditure;
- h) Merger shall result in efficient and focused management control and system.

There is no adverse effect of Scheme on the directors, key management personnel, shareholders, creditors, other security holders and employees of Transferor Company and Transferee Company. However, the Board of the Transferor Company upon merger shall stand dissolved without prejudice to decisions, actions, taken by the Board of the Transferor Company. The Scheme would be in the best interest of all stakeholders.

Due to the aforesaid rationale, it is considered desirable and expedient to enter into this Scheme for amalgamation by absorption of Transferor Company with the Transferee Company, and in consideration thereof issue equity shares of the Transferee Company to the shareholders of Transferor Company in accordance with this Scheme.

Accordingly, in order to achieve the above objectives, the Board of Directors of the Parties have resolved to make requisite applications and/or petitions before the Hon'ble National Company Law Tribunal/ Governmental Authority (as defined hereinafter) as the case may be and as applicable under Section 230 to 232 and other applicable provisions of the Companies Act, 2013, the rules framed thereunder and other applicable provisions for the sanction of this Scheme

D. PARTS OF THE SCHEME

The Scheme is divided into following parts:

PART I, which deals with the definitions and financial position of the Transferor Company and the Transferee Company;

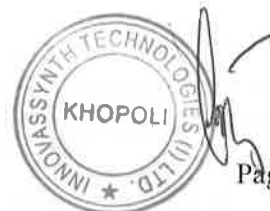
PART II, which deals with the merger of the Transferor Company into the Transferee Company;



PART III, which deals with the accounting treatment to the Transferor Company and the Transferee Company under this Scheme;

PART IV, which deals with the general terms and conditions applicable to this Scheme.

The Scheme as set out herein in its present form or with any modifications(s) approved or imposed or directed by the NCLT shall be and shall be deemed to have been given effect to the merger of the Transferor Company into the Transferee Company.



PART I

1. DEFINITIONS

In this Scheme, unless inconsistent with the meaning or context, the following expressions shall have the following meanings:-

- 1.1 “**Act**” means the Companies Act, 2013 including any statutory modifications, re-enactment rules, regulations, notifications, amendments or statutory replacement or re-enactment or amendments thereof for the time being in force.
- 1.2 “**Accounting Standards**” means the Accounting Standards as notified under Section 133 of the Act read together with Rule 7 of The Companies (Accounts Rules) Rules, 2014, as amended from time to time, issued by the Ministry of Corporate Affairs and the other accounting principles generally accepted in India.
- 1.3 “**Applicable Law(s)**” means and includes any applicable central, provincial, local or other law including any statute, notification, bye laws, rules, regulations, permits, guidelines or common law, policy, code, directives, ordinance, schemes, notices, orders, decisions, injunctions, judgments, awards or instructions or law enacted or issued or sanctioned by any Appropriate Authority including any modification or re-enactment thereof for the time being in force and decrees of or agreements with any authority having jurisdiction over the Parties.
- 1.4 “**Appointed Date**” means 1 October 2024 or such other date as may be directed or approved by the Hon’ble National Company Law Tribunal or any other appropriate authority.
- 1.5 “**Board of Directors**” in relation to Transferor Company and/or Transferee Company, as the case may be, shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee of directors.
- 1.6 “**Effective Date**” means the last of the dates on which the conditions mentioned in Clause 20 are satisfied.
- 1.7 “**Employees**” means all the employees of the Transferor Company who are on the pay-roll of the Transferor Company as on the Effective Date.
- 1.8 “**Encumbrances**” means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrances of any kind or nature whatsoever, and the term ‘Encumber’ or ‘Encumbered’ shall be construed accordingly.
- 1.9 “**Financial Year**” means the period commencing from 1st April of each year and ending at 31st March of each year..
- 1.10 “**Governmental Authority**” or “**Appropriate Authority**” means any applicable Central, State or Local Government, Legislative Body, Regulatory, Administrative or Statutory Authority, Agency or Commission or Department or Public or Judicial Body or Authority, including, but not limited, to Regional Director, Registrar of Companies, Securities and Exchange Board of India, BSE Limited, and Hon'ble NCLT.
- 1.11 “**Income Tax**” means any Tax imposed, levied, collected, withheld or assessed under the Income Tax Act.
- 1.12 “**Income Tax Act**” means the Indian Income Tax Act, 1961, as amended from time to time.

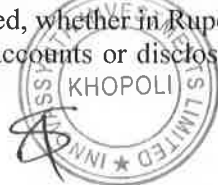


- 1.13 **"New Equity Shares"** means the equity shares issued to the shareholders of the Transferor Company pursuant to this Scheme.
- 1.14 **"Record Date"** means the date for the purpose of determining the Members of the Transferor Company to whom the shares in the Transferee Company will be allotted (if applicable) under the Scheme.
- 1.15 **"Registrar of Companies" or "ROC"** means the Registrar of Companies having jurisdiction over the Companies forming part of this Scheme.
- 1.16 **"RBI"** means the Reserve Bank of India.
- 1.17 **"Scheme"** means this Scheme of Merger by Absorption in its present form submitted to the NCLT for sanction or with any modification(s) made under Clause 19 of this Scheme and/or any modification(s) approved or imposed or directed by the NCLT.
- 1.18 **"SEBI"** shall mean the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992"
- 1.19 **"SEBI Circular"** shall mean the circular issued by SEBI, being Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and any other circulars issued by SEBI applicable to schemes of Merger and amendments thereof.
- 1.20 **"Stock Exchanges"** means BSE Limited (**"BSE"**);
- 1.21 **"Transferee Company" or "IIL"** means Innovassynth Investments Limited, a company incorporated under the Companies Act, 1956, and having its registered office situated at Shop No. 17, C-Wing, S. No. 55, C.T.S. No. -1655, Leena Heritage Co.Op. Housing Society, Khopoli, Raigarh(MH), Khopoli, Maharashtra, India - 410203.
- 1.22 **"Transferor Company" or "ITIL"** means Innovassynth Technologies (India) Limited, a company incorporated under the Companies Act, 1956, having its registered office situated at Innovassynth Technologies (India) Limited, old Mumbai – Pune Road, Raigarh, Khopoli, Maharashtra, India – 410203.
- 1.23 **"Tribunal" or "NCLT" or "Competent Authority"** means the Hon'ble National Company Law Tribunal constituted under Section 408 of the Act.
- 1.24 **"Undertaking"** means the business, undertaking, properties, assets and liabilities, of whatsoever nature and kind and wheresoever situated pertaining to the entire business of the Transferor Company on a going concern basis, as on the Appointed Date and shall include, without limitation, the following:
- a. All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature) of the Transferor Company, whether situated in India or abroad including, without limitation, all land whether freehold or leasehold or otherwise , buildings and structures, offices, branches, residential and other premises, capital work-in-progress, project work-in-progress, machines and equipment, furniture, fixtures, office equipment, computers, information technology equipment, laptops, server, vehicles, appliances, accessories, power lines, stocks, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), investments of all



kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates, investment in subsidiaries), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, earnest monies, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, tenancies in relation to the office and/or residential properties, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate 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 or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad whether or not so recorded in the books of accounts or disclosed in the balance sheet of the Transferor Company;

- b. all permits, quotas, rights, entitlements, industrial and other licences, contracts, agreements, bids, tenders, letters of intent, expressions of interest, memorandums of understanding, offer letters, approvals, consents, subsidies, privileges, incentives, deductions, exemptions, rebates, allowances, amortization, tax credits [including but not limited to advance tax, self-assessment tax, regular tax, securities transaction tax, deferred tax assets/liabilities, Foreign Tax Credit, tax deducted at source, tax collected at source, accumulated losses under Income-tax Act, allowance for unabsorbed depreciation under Income-tax Act, tax refunds, tax losses and exemptions in respect of the profits of the undertaking of the Transferor Company for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the benefit or exemption is available in law if the merger pursuant to this Scheme does not take place, the input credit balances (including State Goods & Service Tax ('SGST'), Integrated Goods and Services Tax ('IGST') and Central Goods and Service Tax ('CGST') credits) under the Goods and Service Tax ('GST') laws, CENVAT/ MODVAT credit balances under Central Excise Act, 1944, sales tax law], all other rights including sales tax deferrals and exemptions and other benefits, duty drawback claims, rebate receivables, all customs duty benefits and exemptions, export and import incentives and benefits or any other benefits/ incentives/ exemptions/ given under any policy announcements issued or promulgated by the Government of India or state government or any other government body or authority or any other like benefits under any statute) receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company, whether or not so recorded in the books of accounts of the Transferor Company;
- c. all debts, borrowings, obligations, duties and liabilities, both present and future, current and non-current (including deferred tax liabilities, contingent liabilities and the Liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Rupees or foreign currency, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor



Company;

- d. All deposits and balances with Government, semi Government, local and other authorities and bodies, customers and other persons, earnest moneys and / or security deposits paid or received by the Transferor Company directly or indirectly;
- e. all trade and service names and marks, patents, copyrights, goodwill, designs and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company;
- f. all earnest monies and/or security deposits paid by the Transferor Company;
- g. all staff and employees of the Transferor Company in service on the Effective Date and who are willing to become the employees of the Transferee Company 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;
- h. Right to any claim, including MAT (if any) not preferred or made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of set-off, carry forward of unabsorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income-tax Act, 1961, Goods and Services Tax Act, 2017 or taxation laws of other countries 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;
- i. 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;

It is intended that the definition of Transferred Undertaking under this clause would enable the transfer of all property, assets, rights, duties, employees and liabilities of Transferor Company into the Transferee Company pursuant to this Scheme of Merger by Absorption;



2. INTERPRETATIONS

References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.

The headings herein shall not affect the construction of this Scheme.

Unless the context otherwise requires:

- i. The singular shall include the plural and vice versa, and references to one gender include all genders.
- ii. References to a person include any individual, firm, body corporate (whether incorporated), 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).
- iii. Reference to any law or to any provision thereof or to any rule or regulation promulgated thereunder includes a reference to such law, provision, rule or regulation as it may, from time to time, be amended, supplemented or re-enacted, or to any law, provision, rule or regulation that replaces it.

3. DATE OF TAKING EFFECT

Each section of the Scheme set out herein in its present form or with any modifications(s) approved or imposed or directed by the Hon'ble NCLT, Mumbai Bench under Clause 19 of the Scheme or any other Appropriate Authority, unless otherwise specified, be effective from the applicable Appointed Date but operative from the Effective Date.

Any references in the Scheme to 'upon the Scheme becoming effective' or 'upon this Scheme becoming effective' or 'effectiveness of the Scheme' shall mean the Effective Date.

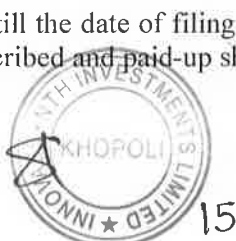
The Scheme of Merger by Absorption of the Transferor Company with the Transferee Company shall be in accordance with Section 2(1B) of the Income-tax Act, 1961.

4. SHARE CAPITAL

- 4.1 The Authorized, Issued, Subscribed and Paid-up Share Capital of the Transferor Company as on 31st March, 2024 was as under:

Innovassynth Technologies (India) Limited (Transferor Company)	
Particulars	Amount in Rs.
Authorized Share Capital	
7,60,00,000 Equity Shares of Rs.10 each	76,00,00,000
Total	76,00,00,000
Issued, Subscribed and Paid-up	
7,50,21,351 Equity Shares of Rs.10 each	75,02,13,510
Total	75,02,13,510

Subsequent to the above date and till the date of filing the Scheme with the Tribunal, there has been no change in the issued, subscribed and paid-up share capital of the Transferor Company.



- 4.2 The Authorized, Issued, Subscribed and Paid-up Share Capital of the Transferee Company as on 31st March, 2024 was as under:

Innovassynth Investments Limited (Transferee Company)	
Particulars	Amount in Rs.
Authorized Share Capital	
2,50,00,000 equity shares of Rs.10 each	25,00,00,000
Total	25,00,00,000
Issued, Subscribed, Called-up and Paid-up Capital	
2,42,78,035 equity shares of Rs.10 each	24,27,80,350
Total	24,27,80,350

Subsequent to the above date, Transferee Company has proposed to make a preferential allotment. The revised Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferee Company post the preferential allotment will be as under:

Innovassynth Investments Limited (Transferee Company)	
Particulars	Amount in Rs.
Authorized Share Capital	
2,90,00,000 equity shares of Rs.10 each	29,00,00,000
Total	29,00,00,000
Issued, Subscribed, Called-up and Paid-up Capital	
2,79,84,285 equity shares of Rs.10 each	27,98,42,850
Total	27,98,42,850

Subsequent to the preferential allotment and till the date of filing the Scheme with the Tribunal, there has been no change in the issued, subscribed and paid-up share capital of the Transferee Company.



PART II

5. TRANSFER AND VESTING

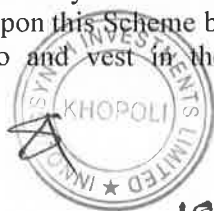
- 5.1 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Company along with its Undertaking shall stand merged with and be vested in the Transferee Company, as a going concern, without any further act or instrument and pursuant to the provisions of Sections 230 to 232 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.

Transfer and Vesting of Assets

- 5.2 All the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Undertaking of whatsoever nature and where so ever situate shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law, if any, without any further act or deed, be and stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the estate, assets, properties, rights, claims, title, interest and authorities of the Transferee Company.
- 5.3 All immovable properties of the Transferor Company, if any, including land together with the buildings and structures standing thereon 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 by operation of law pursuant to sanctioning of the Scheme and upon the Scheme becoming effective, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. Such assets shall stand vested in Transferee and shall be deemed to be and become the property as an integral part of the Transferee Company by operation of law. 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. Further the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Government Authority shall suffice as a record of continuing title with Transferee Company and shall be constituted as a deemed mutation and substitution thereof. The Transferee Company shall upon the Scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard. Further, at the discretion of Transferee Company, such immovable properties including leasehold rights can be vested pursuant to a separate conveyance or any other agreement as well.
- 5.4 Without prejudice to the provisions of Clause 5.2 and 5.3 above, in respect of such of the assets and properties of the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of vesting or transfer by delivery or possession, or by endorsement and/or delivery, the same shall stand so transferred or vested by the Transferor Company upon the coming into effect of this Scheme, and shall, become the assets and property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act, without requiring any deed or instrument of conveyance for transfer or vesting of the same.



- 5.5 In respect of such of the assets and properties belonging to the Transferor Company (other than those referred to in Clause 5.4 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.
- 5.6 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.
- 5.7 All the profits or costs, charges, or 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, costs, charges, expenditure or losses of Transferee Company, as the case may be.
- 5.8 All taxes (including but not limited to advance tax, self-assessment tax, regular tax, MAT paid u/s 115JB, securities transaction tax, deferred tax assets/liabilities, foreign tax credit, tax deducted at source, tax collected at source, accumulated losses under Income-tax Act, allowance for unabsorbed depreciation under Income-tax Act, value added tax, sales tax, service tax, customs duty, CGST, IGST, SGST, etc.), including any interest, penalty, surcharge and cess, if any, paid / payable by or refunded / refundable to the Transferor Company, including all or any refunds or claims shall be treated as the tax paid / payable by the Transferee Company, or as the case may be, refunds/claims, of the Transferee Company, and any tax incentives, advantages, privileges, deductions otherwise admissible such as under Section 40, 40A, 43B, etc. of the Income-tax Act, as would have been available to the Transferor Company, shall pursuant to this Scheme becoming effective, be available to the Transferee Company.
- 5.9 All the benefits under the various incentive schemes and policies that the Transferor Company is entitled to, if any, including tax credits, tax deferral, exemptions, holidays and benefits, subsidies, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed by the Transferor Company, rights of any claim not made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon and all rights or benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, shall upon this Scheme becoming effective and with effect from the Appointed Date be transferred to and vest in the Transferee Company and all benefits,



entitlements and incentives of any nature whatsoever, shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive schemes and/or policies.

- 5.10 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.
- 5.11 The registration in name of the Transferor Company like Profession Tax, GST, PAN, TAN, Shop Act Licenses and any other registration under any other statute, law, Enactment, Act, shall if permitted by law and unless otherwise directed by the court without any further act, deed, matter or thing be transferred in the name of the Transferee Company from the Effective Date.

Transfer and Vesting of Liabilities

- 5.12 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities whether provided for or not in the books of the Transferor Company, duties and obligations of the Transferor Company alongwith any charge, encumbrance, lien or security thereon (hereinafter referred to as the "said Liabilities") shall be and stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the Transferor Company is concerned, the security or charge over such assets or any part thereof, relating to any loans, debentures or borrowing of the Transferor Company shall without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company, save to the extent warranted by the terms of the existing security arrangements to which any of the Transferor Company and the Transferee Company are parties, and consistent with the joint obligations assumed by them under such arrangement.
- 5.13 Where any such debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date have been discharged by such Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.
- 5.14 All loans raised and utilized and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company after the Appointed Date, shall be deemed to

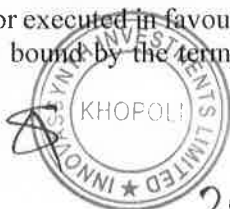


have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date.

- 5.15 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time from the Appointed Date to the Effective Date become due between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.
- 5.16 It is clarified that the Scheme shall not in any manner affect the rights and interest of the Creditors of the Transferor Company or be deemed to be prejudicial to their interest.

6. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS:

- 6.1 Subject to other provisions of this Scheme, the Transferee Company shall accept all acts, deeds and things relating to the Undertaking of the Transferor Company done and executed by and/or on behalf of the Transferor Company on or after the Appointed Date as acts, deeds and things done and executed by and/or on behalf of the Transferee Company.
- 6.2 Subject to other provisions of this Scheme, all contracts, deeds, bonds, agreements, leases, insurance policies, letters of intent, memorandums of understanding, offer letters, undertaking, policies and other instrument of whatsoever nature relating to the Undertaking of the Transferor Company to which the Transferor Company is a party or to the benefit of which Transferor Company may be eligible, and which are subsisting or having effect on or before the Effective date shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually, as if, instead of the Transferor Company, the Transferee Company had at all material times been a party thereto.
- 6.3 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 authorised 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.
- 6.4 On this Scheme finally taking effect as aforesaid:
- i. All the agreements, guarantees, approvals, consents, permissions, licenses, sanctions, leases and the like entered into with and/or given by, as the case may be, the various Central/ State Governments, statutory or regulatory body or agencies or third parties with respect to the Transferor Company shall, without any further act, deed, matter or thing, stand transferred to and vested in 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;
- ii. All business activities engaged in by the Transferor Company shall be continued by the Transferee Company; and
 - iii. The Transferor Company shall stand dissolved without winding up.

7. ENCUMBRANCES

- 7.1 The transfer and vesting of the assets comprised in the Undertaking to the Transferee Company under foregoing clauses of this Scheme shall be subject to the encumbrances, if any, affecting the same as hereinafter provided.
- 7.2 All encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date, provided that if any of the assets of the Transferor Company have not been encumbered, such assets shall remain unencumbered and the existing encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above. Furthermore, no duty (including stamp duty), levy, cess of any nature will be payable by the Transferee Company at the time of transfer of the encumbrance, charge and/or right covered above with respect to the immovable property.
- 7.3 The existing encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the Liabilities of the Transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.
- 7.4 Any reference in any security documents or arrangements (to which the Transferor Company is party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.
- 7.5 Upon the coming into effect of this Scheme, the Transferee Company shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of this Scheme.
- 7.6 It is expressly provided that, save as herein provided, no other term or condition of the Liabilities transferred to the Transferee Company is amended by virtue of this Scheme except to the extent that such amendment is required statutorily.
- 7.7 The provisions of this Clause 7 shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/or superseded by the foregoing provisions.

8. TRANSFEROR COMPANY STAFF AND EMPLOYEES:

On and from the Effective Date:



- 8.1 All employees of the Transferor Company in service on the Effective Date shall become the employees of the Transferee Company, on same terms and conditions and without any break or interruption in service and on terms and conditions not less favourable than those on which they are engaged by the Transferor Company as on the Effective Date. For the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such Employees with the Transferor Company and such benefits to which the Employees are entitled in the Transferor Company shall also be taken into account and paid (as and when payable) by the Transferee Company.
- 8.2 It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the other employees of the Transferee Company, unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into or deemed to have been entered into by the Transferor Company with any employee of the Transferor Company.
- 8.3 Insofar as the provident fund, gratuity fund, superannuation fund, retirement fund and any other funds or benefits created by the Transferor Company for its Employees or to which the Transferor Company is contributing for the benefit of its Employees (collectively referred to as the "Funds") are concerned, the Funds or such part thereof as relates to the Employees (including the aggregate of all the contributions made to such Funds for the benefit of the Employees, accretions thereto and the investments made by the Funds in relation to the Employees) shall be transferred to the Transferee Company and shall be held for the benefit of the concerned Employees. In the event the Transferee Company has its own funds in respect of any of the employee benefits referred to above, the Funds shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, be merged with the relevant funds of the Transferee Company. In the event that the Transferee Company does not have its own funds in respect of any of the above or if deemed appropriate by the Transferee Company, the Transferee Company may, subject to necessary approvals and permissions, maintain the existing funds separately and contribute thereto until such time that the Transferee Company creates its own funds, at which time the Funds and the investments and contributions pertaining to the Employees shall be merged with the funds created by the Transferee Company.
- 8.4 In relation to those Employees for whom the Transferor Company is making contributions to the government provident fund or other employee benefit fund, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Employees, such that all the rights, duties, powers and obligations of the Transferor Company as the case may be in relation to such schemes/ Funds shall become those of the Transferee Company.

9. LEGAL, TAXATION AND OTHER PROCEEDINGS

- 9.1 Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company pending on the Effective Date shall be continued and/ or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted by or against the Transferee Company.
- 9.2 If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal

proceedings may be continued, prosecuted and enforced by or against Transferee Company, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

- 9.3 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Company, Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of Transferee Company.

10. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE:

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

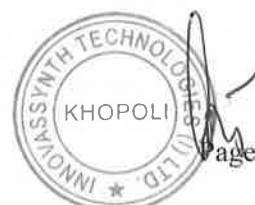
- (i) the Transferor Company shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts and investments for and on account of, and in trust for, the Transferee Company;
- (ii) The Transferor Company shall carry on its business and activities with due business prudence and diligence and shall not, without prior written consent of the Transferee Company or pursuant to any pre-existing obligation, sell transfer or otherwise alienate, charge, mortgage, encumber or otherwise deal with any part of its assets nor incur or accept or acknowledge any debt, obligation or liability except as is necessary in the ordinary course of business.
- (iii) all profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by them (including taxes, if any, accruing or paid in relation to any profits or income) for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case may be, of the Transferee Company;
- (iv) any of the rights, powers, authorities or privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company; and
- (v) all taxes (including, without limitation, income tax, sales tax, service tax, VAT, excise and custom duties, Central Goods and Service Tax law (CGST), State Goods and Service Tax law (SGST) and Integrated Goods and Service Tax law (IGST), foreign taxes, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the tax payment (including, without limitation, income tax, sales tax, service tax, VAT, excise and custom duties, CGST, SGST, IGST, foreign taxes, etc.), whether by way of deduction at source, tax collected at source, advance tax, self-assessment tax, regular tax, or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect from 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.
- (vi) If and to the extent there are inter-corporate loans, deposits, balances or agreements as between the Transferor Company and Transferee Company, the obligations in respect thereof shall, on and from the Appointed Date, stand cancelled and there shall be no obligation/outstanding balance in that behalf.



- (vii) The Transferor Company shall not alter its equity capital structure either by fresh issue of shares or convertible securities (on a rights basis or by way of bonus shares or otherwise) or by any decrease, reduction, reclassification, sub-division, consolidation, re-organisation or by undertaking amalgamation or demerger or any other mode of restructuring or in any other manner, except by and with the consent of the Board of Directors of the Transferee Company.
- (viii) Without prejudice to the provisions of Clauses 5 to 9, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.
- (ix) For the avoidance of doubt, it is hereby clarified that nothing in the scheme shall prevent the Transferee Company from declaring and paying dividends, whether interim or final, to its equity shareholders.
- (x) For the avoidance of doubt, it is hereby further clarified that nothing in the scheme shall prevent the Transferee Company from issuance of bonus shares, rights issue, splitting or consolidation of its shares, making investments or undertaking merger or demerger or any other mode of restructuring.

11. COMPLIANCE WITH TAX LAWS

- 11.1 This Scheme has been drawn up to comply with the conditions as specified under Section 2(1B) of the Income-tax Act, 1961 and other relevant provisions of the Income-tax Act, 1961. If any terms or provisions of this 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 Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act, 1961 and other relevant provisions of the Income-tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.
- 11.2 On or after the Effective Date, the Transferor Company and the Transferee Company are expressly permitted to revise their financial statements and returns along with prescribed forms, filings and annexure under the Income-tax Act, 1961, (including for the purpose of re-computing tax on book profits, carry forward and set-off of tax losses 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 from Transferor Company's subsidiary/ies and other tax laws etc. and for matters incidental thereto, if required to give effect to the provisions of this Scheme.
- 11.3 All tax assessment proceedings/ appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, the 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, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the merger of the Transferor Company with the Transferee Company or anything contained in the Scheme of Merger by Absorption.



- 11.4 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 11.3 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 certificates, 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 (including any credit for dividend distribution tax on dividend received by the Transferor Company)/, foreign taxes and carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.
- 11.5 Any tax liabilities under the Income-tax Act, 1961, service tax, sales tax, VAT, excise and customs laws, as may be applicable, CGST, SGST, IGST or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company. Any surplus in the provision for taxation / duties / levies account including advance tax and tax deducted at source as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.
- 11.6 Any refund under the Income-tax Act, 1961, Customs Act 1962, Service tax, Goods and Service Tax laws, applicable State Value Added Tax laws or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the Transferor Company and due to the said Transferor Company consequent to the assessment made on the said Transferor Company for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 11.7 All taxes/ credits / refunds including income-tax, tax on book profits, credit for minimum alternate tax, dividend distribution tax and foreign taxes, service tax, sales tax, VAT, excise and customs duty, as may be applicable, CGST, SGST, IGST, etc. paid or payable by the said Transferor Company in respect of the operations and/ or the profits of the Transferred Undertaking, as applicable 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, service tax, foreign taxes, sales tax, VAT, excise and customs duty, as may be applicable, CGST, SGST, IGST etc. whether by way of deduction at source, advance tax, MAT credit or otherwise) howsoever, by the Transferor Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Further, any tax deducted at source by the Transferor Company and the Transferee Company on payables to said Transferor Company /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.
- 11.8 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company under the Income-tax Act, 1961, Goods and Service Tax, 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.
- 11.9 Without prejudice to the generality of the above, all benefits, incentives, losses, credits (including, without limitation income tax, tax on book profits, Goods and Service Tax, other applicable tax etc.) to which the Transferor Company is entitled to in terms of applicable laws, shall be available to and vest in the Transferee Company.

12. **ALTERATIONS/AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF TRANSFEE COMPANY:**



With respect to the Transferee Company, upon the Scheme being effective:

- 12.1 Upon the occurrence of the last of the dates on which the certified copy of the order of the NCLT at Mumbai, is filed with the relevant Registrar of Companies, Mumbai the name of Transferee Company shall be deemed to have been changed from "Innovassynth Investments Limited" to "Innovassynth Technologies (India) Limited" or such other alternate name as may be permitted by the Registrar of Companies, Mumbai in accordance with relevant provisions of the Act.
- 12.2 Upon the coming into effect of this Scheme, the authorized share capital of the Transferee Company shall stand increased, without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, by the authorized share capital of the Transferor Company being amounting to Rs. 76,00,00,000/- comprising of 7,60,00,000 equity shares of Rs. 10/- each. Hence, the authorized share capital of the Transferee Company shall amount to Rs. 1,05,00,00,000/- comprising of 10,50,00,000 equity shares of Rs. 10/- each and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duty and fees paid on the authorized share capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by Transferee Company for increase in the authorized share capital to that extent.
- 12.3 It is hereby clarified that the consent of the shareholders of Transferee Company to this Scheme shall be deemed to be sufficient for the purpose of effecting the aforementioned amendment and that no further resolution under Section 13 or Section 61 or 64 or any other applicable provisions of the Act, would be required to be separately passed. Clause V of the Memorandum of Association and Clause 4 of the Articles of Association of the Transferee Company shall stand substituted without any further act instrument or deed by virtue of and upon the coming into effect of this Scheme to read as follows:

Clause V of the Memorandum of Association of the Transferee Company:

"The Authorized Share Capital of the Company is Rs. 1,05,00,00,000 (Rupees Hundred and Five Crores only) divided into 10,50,00,000 (Ten Crore Fifty Lakhs only) equity shares of Rs. 10 (Ten) each with the power to increase, consolidate, sub-divide, cancel, original or increased, with or subject to any rights or conditions as regards dividend, repayment of capital or otherwise in accordance with the Company's regulations and the provisions of the said Act. The Company shall have power to convert fully paid-up shares into stock and to reconvert stock into shares"

Clause 4 of the Articles of Association of the Transferee Company:

"4. The Authorised Share Capital of the Company is Rs. 1,05,00,00,000 (Rupees Hundred and Five Crores only) divided into 10,50,00,000 (Ten Crore Fifty Lakhs only) equity shares of Rs. 10 (Ten) each with power to increase, consolidate, sub-divide, cancel and/or reduce the capital of the Company and to issue any of these shares in the capital, original or increased, with or subject to any rights or conditions as regards dividend, repayment of capital or otherwise in accordance with the Company's regulations and the provisions of the Said Act. The Company shall have power to convert fully paid-up shares into stock and to reconvert stock into shares. The Company shall have power to issue equity shares with differential rights as to dividend, voting or otherwise, in accordance with such rules and subject to such conditions as may be prescribed, from time to time, by the Government of India. The share(s), in the capital of the Company, for the time being, whether original or increased, may be divided into several classes, with any preferential, qualified

or other special rights, privileges, conditions or restrictions attached thereto, whether in regard to dividend, voting, return of capital or otherwise. The Company shall have power to issue redeemable preference shares. If and whenever the capital of the Company is divided into shares of different classes, rights of any class may and whether or not the company is being wound-up, be varied, modified, affected, extended, abrogated or surrendered with the consent of the in writing of the holders of three-fourth of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting, the provisions of these regulations relating to general meeting shall mutatis mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class in question.”

- 12.4 With effect from the Appointed Date, without following any further procedure, the Transferee Company shall be deemed to be authorized to commence such business as laid down in the Main and Object Clauses of the Memorandum of Association of the Transferor Company.

13. CONSIDERATION

- 13.1 Upon the Scheme becoming effective and upon merger of Transferor Company with Transferee Company, the Transferee Company shall, without any further act or deed, issue and allot equity shares, credited as fully paid up, to the extent indicated below, to every member of the Transferor Company whose names appear in the register of members of Transferor Company (other than to the extent of shares already held by the Transferee Company), on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title in the following proportion viz:

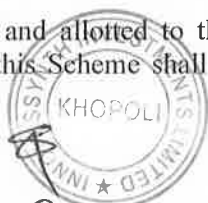
1 (One) equity share of the face value Rs. 10 each of IIL shall be issued and allotted as fully paid up for every 1 (One) equity shares of the face value of Rs. 10 each fully paid up held in ITIL

- 13.2 In case any equity shareholder (as the case may be) of Transferor Company are such that it becomes entitled to a fraction of equity shares (as the case may be) of Transferee Company, then Transferee Company shall not issue fractional share certificates to such equity shareholder (as the case may be) but shall instead, at its discretion, decide to take any one or a combination of the following actions:

- i. consolidate such fractions and issue consolidated equity shares (as the case may be) to a trustee nominated by Transferee Company in that behalf, who shall sell such equity shares (as the case may be) and distribute the net sale proceeds (after deduction of applicable taxes and other expenses incurred) to the entitled equity shareholders (as the case may be) respectively in the proportion of their fractional entitlements; and/or
- ii. round off all fractional entitlements to the next whole number above the fractional entitlement and issue and allot such number of securities to the relevant equity shareholders (as the case may be); and/or
- iii. ignore all such fractional entitlements and issue and allot such number of equity shares to the relevant shareholders of or any one shareholder of Transferor Company (as the case may be) and/or
- iv. deal with such fractional entitlements in such other manner as they may deem to be in the best interests of the respective equity shareholders of the Parties.

- 13.3 The New Equity Shares to be issued and allotted to the equity shareholders of Transferor Company pursuant to Clause 13.1 of this Scheme shall be issued and allotted in dematerialized form to the equity shareholders of Transferor Company.

- 13.4 The New Equity Shares to be issued and allotted to the equity shareholders of Transferor Company pursuant to Clause 13.1 of this Scheme shall be subject to the Memorandum and



Articles of Association of the Transferee Company and shall rank pari passu with the existing equity shares of Transferee Company in all respects including dividends.

- 13.5 The New Equity Shares to be issued and allotted to the equity shareholders of Transferor Company pursuant to Clause 13.1 of this Scheme shall be issued free from all liens, charges, equitable interests, encumbrances and other third party rights of any nature whatsoever to respective equity shareholder of Transferor Company whose name is recorded in the register of members of Transferor Company as of the Record Date.
- 13.6 The Board of Directors of the Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned Government / Regulatory authorities for the issue and allotment of New Equity Shares pursuant to Clause 13.1 of the Scheme.
- 13.7 The Transferee Company shall apply for listing of its equity shares issued in terms of Clause 13.1 above with the Stock Exchanges in terms of and in compliance of the SEBI Circular. The equity shares issued by the Transferee Company in terms of Clause 13.1 above, pursuant to the Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the Stock Exchanges.
- 13.8 Transferee Company's Equity Shares to be issued and allotted to the equity shareholders of Transferor Company pursuant to Clause 13.1 of this Scheme will be listed and/or admitted to trading on the BSE where the equity shares of Transferee Company are listed and/or admitted to trading. Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said stock exchanges.
- 13.9 In the event of there being any pending share transfers with respect to the application lodged for transfer by any shareholder of Transferor Company, the Board of Directors or any committee thereof of Transferor Company if in existence, or failing which the Board of Directors or any committee thereof of Transferee Company shall be empowered in appropriate case, even subsequent to the Record Date to effectuate such a transfer in 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 or the transferee of the share(s) in Transferor Company and in relation to the Transferor Company Equity Shares after the Scheme becomes effective.
- 13.10 New Equity Shares to be issued and allotted by Transferee Company to the equity shareholders of Transferor Company pursuant to Clause 13.1 of this Scheme, in respect of any equity shares in Transferor Company which are held in abeyance under the provisions of Section 126 of the Act, pending allotment or settlement of dispute, by order of court or otherwise, be held in abeyance by Transferor Company.
- 13.11 Approval of this Scheme by the equity shareholders of the Transferee Company shall be deemed to be due compliance of the provisions of Section 61 of the Act and the other relevant and applicable provisions of the Act for the issue and allotment of New Equity Shares by Transferee Company pursuant to Clause 13.1 of this Scheme.
- 13.12 The approval of this Scheme by the equity shareholders of Transferee Company under Sections 230 to 232 of the Act shall be deemed to have the approval under Sections 13, 14, 42, 62 and 188 and any other applicable provisions of the Act and any other consents and approvals required in this regard.

14. CANCELLATION OF SHARES



- 14.1 In relation to the equity shares held by the Transferee Company in Transferor Company, upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of the holding of the Transferee Company in the Transferor Company and the issued and paid-up capital of the Transferor Company shall stand cancelled on the Effective Date without any further act, instrument or deed and to that extent no shares will be issued by the Transferee Company.



PART III

15. ACCOUNTING TREATMENT:

On this Scheme taking effect, the Transferee Company shall account for Amalgamation of the Transferor Company with the Transferee Company in its books of accounts as under:

- 15.1 Notwithstanding anything to the contrary, upon the Scheme becoming effective, the Transferee Company shall give effect to the amalgamation in accordance with 'Indian Accounting Standard (Ind-AS) and other Ind-AS (as may be applicable) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other generally accepted accounting principles as applicable on the Appointed Date.
- 15.2 Any inter-company balances, loans and advances, payables and receivable investments, guarantees, etc. between the Transferor Company and the Transferee Company will stand cancelled or discharged.
- 15.3 The Transferee Company shall account the deemed consideration at its fair market value and such amount shall be credited to the Restructuring Reserve Account.
- 15.4 The difference between deemed consideration and fair market value of net assets to be acquired, any impact arising on account of clause 15.2 above and consequential adjustments to share capital and reserves as per provisions of Ind AS and other generally accepted accounting principles, shall be adjusted in the Restructuring Reserve Account by the Transferee Company.
- 15.5 The resultant balance in the Restructuring Reserve Account (after adjustments referred in clause 15.3 and 15.4 above), if debit, shall be adjusted against the Securities Premium Account.
- 15.6 Aforesaid utilization of securities premium and consequential capital reduction shall be effected as an integral part of this Scheme itself and not under a separate procedure, in terms of Section 52(1) read with Section 66 of the Act, and the order of the NCLT sanctioning this Scheme shall be deemed to be an order under Section 66 of the Act, or any other applicable provisions, confirming the reduction. The consent of the shareholders of the Transferor Company and the Transferee Company to this Scheme shall be deemed to be the consent of its shareholders for the purpose of effecting the reduction under the provisions of Section 52(1) read with Section 66 of the Act as well and no further compliances would be separately required. The Transferee Company shall not, nor shall be obliged to, (i) call for a separate meeting of its shareholders and / or creditors for obtaining their approval sanctioning the reduction of the securities premium account of the Transferee Company; or (ii) obtain any additional approvals / compliances under section 66 and section 52 of the Act.
- 15.7 Notwithstanding the above, the Board of Directors of the Transferee Company, in consultation with its statutory auditors, is authorized to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the prescribed Indian Accounting Standards specified as per Section 133 of the Act read with relevant rules issued thereunder and applicable accounting standards prescribed under the Act.

16. SAVING OF CONCLUDED TRANSACTIONS

- 16.1 The transfer and vesting of the entire business and Transferred Undertaking of the Transferor Company pursuant to this Scheme, and the continuance of proceedings under Clause 9 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date for Merger till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto, as if done and executed on its behalf.

17. DISSOLUTION OF THE TRANSFEROR COMPANY

- 17.1 On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and without any further act or deed by the parties.
- 17.2 On and with effect from the Effective Date, the name of the Transferor Company shall be struck off from the records of the appropriate Registrar of Companies.
- 17.3 Even after the Scheme becomes effective, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Company and realize all monies and complete and enforce all pending contracts and transactions in respect of the Transferor Company in the name of the Transferee 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.



PART IV

18. APPLICATION TO THE NCLT

- 18.1 The Transferor Company and Transferee Company shall make necessary applications / petitions under Sections 230 to 232 and other applicable provisions of the Act to the NCLT for sanction of this scheme and other incidental matters thereto under the provisions of the law including but not limited to seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the members and/or creditors of the Transferor /Transferee Companies, as may be directed by the NCLT or such other appropriate authority.
- 18.2 The Transferor Company shall take all necessary steps for sanctioning of this Scheme and for its dissolution without winding up, and apply for and obtain such other approvals, if any, required under the law.

19. MODIFICATIONS/AMENDMENTS TO THE SCHEME:

- 19.1 The Transferor Company and the Transferee Company, through their respective Board of Directors, may, in their full and absolute discretion, assent to any alterations or modifications in this Scheme which the Tribunal may deem fit to approve or impose and may give such directions as they may consider necessary to settle any questions or difficulty that may arise under the Scheme or in regard to its implementation or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder of the respective Companies). In the event that any conditions are imposed by the Tribunal which the Transferor Company or the Transferee Company find unacceptable for any reason whatsoever then the Transferor Company and/or the Transferee Company shall be entitled to withdraw the Scheme.
- 19.2 For the purpose of giving effect to the Scheme or to any modification thereof, the Board of Directors are hereby authorized to give such directions and / or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

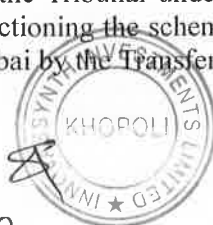
20. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS:

- 20.1 The effectiveness of the Scheme is conditional upon and subject to:

- (i) The requisite sanction or approval from Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies, Regional Director, Official Liquidator as may be applicable or as may be directed by the Tribunal
- (ii) The Scheme being approved by the respective requisite majority of the members of the Transferor Company and the Transferee Company and the requisite orders of the Tribunal being obtained;

Notwithstanding the above, the Scheme is conditional upon Scheme being approved by the public shareholders through e-voting in terms of Part – I (A)(10)(a) of SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June, 2023 and the scheme shall be acted upon only if vote cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it.

- (iii) The certified copy of the order of the Tribunal under Section 230 to 232 and other applicable provisions of the Act sanctioning the scheme being filed with the Registrar of Companies, Maharashtra at Mumbai by the Transferor and Transferee Companies



- (iv) Any other sanction or approval of any governmental or regulatory authority, as may be considered necessary and appropriate by the respective Board of Directors of the Transferor Company and the Transferee Company, being obtained and granted in respect of any of the matters for which such sanction or approval is required.
- 20.2 On the approval of this Scheme by the shareholders of the Transferor Company and the Transferee Company, if required, such shareholders shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the merger set out in this Scheme, related matters and this Scheme itself.

21. EFFECT OF NON RECEIPT OF APPROVALS/SANCTIONS

- 21.1 In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/ or the Scheme not being sanctioned by the Appropriate Authority and / or the Order not being passed as aforesaid within such period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their Board of Directors (and which the Board of Directors of the Transferor Company and Transferee Company are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated 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.
- 21.2 If any part of this Scheme hereof is invalid, held illegal or unenforceable, under any 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.

22. WITHDRAWAL OF THE SCHEME

- 22.1 The Transferee Company and the Transferor Company shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by all of the Boards of Directors of the Transferee Company and the Transferor Company prior to the Effective Date. In such a case, the Transferee Company and the Transferor Company shall respectively bear their own cost or as may be mutually agreed. It is hereby clarified that notwithstanding anything to the contrary contained in this Scheme, the Transferee Company and the Transferor Company shall not be entitled to withdraw the Scheme unilaterally without the prior written Consent of the other company.

23. COSTS, CHARGES AND EXPENSES

- 23.1 All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or order of the Central Government or the NCLT, as the case may be, including this Scheme or in relation to the Scheme or in relation to or in connection with negotiations leading up 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 in a manner mutually decided by the Board of Directors of each of the Transferee Company and the Transferor Company.

24. GENERAL TERMS AND CONDITIONS:



- 24.1 The respective Board of Directors of the Transferor Company and the Transferee Company may empower any Committee of Directors or Officer(s) or any individual director, officer or other person to discharge all or any of the powers and functions, which the said Board of Directors are entitled to exercise and perform under the Scheme.
- 24.2 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Transferee Company and the Transferor Company and their respective shareholders and/or creditors, and the terms and conditions of this Scheme, the latter shall prevail.
- 24.3 Upon the Scheme becoming effective, the same shall be binding on the Transferor Company, the Transferee Company and all concerned parties (including but not limited to shareholders, creditors, employees, concerned regulations authorities, etc.) without any further act, deed, matter or thing.
- 24.4 If any part of this Scheme is invalid, ruled illegal by any Tribunal or authority of competent jurisdiction or unenforceable under the present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this 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 this Scheme, as will best preserve for the Parties, the benefits and obligations of this Scheme, including but not limited to such part.
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