

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

BETWEEN

GLOBETF SOLUTIONS LIMITED
(The "Transferor Company – 1" or "Amalgamating Company – 1" or "GSL")

AND

ESTORIFI SOLUTIONS LIMITED
(The "Transferor Company – 2" or "Amalgamating Company – 2" or "ESL")
(collectively referred to as "Transferor Companies" or "Amalgamating Companies")

WITH

VEEFIN SOLUTIONS LIMITED
(The "Transferee Company" or "Amalgamated Company" or "VSL")

AND

THEIR RESPECTIVE SHAREHOLDERS



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PREAMBLE

This Scheme (*defined herein below*) is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules framed there under including any statutory modifications or re-enactments thereof, if any and in accordance with the provisions of Section 2(1B), of the Income-tax Act, 1961 and also drawn up to comply with the provisions/requirements of the SEBI Circular (*defined herein below*), for Merger of GlobeTF Solutions Limited and Estorifi Solutions Limited with Veefin Solutions Limited.

This scheme is segregated into 5 parts

Part – I sets out an overview and object of the Scheme and contains the definitions used in the Scheme and principles of interpretation pertaining to the Scheme

Part – II sets out the capital structure of Transferor Companies and Transferee Company

Part – III deals with Merger of Transferor Companies with Transferee Company

Part – IV deals with reduction and cancellation of a part of existing paid-up equity share capital of Transferee Company held by Identified Shareholders at nil consideration

Part – V deals with general terms and conditions applicable that forms part of this Scheme



PART-I: OVERVIEW, OBJECTS, DEFINITIONS AND INTERPRETATION

1. OVERVIEW AND OBJECTS OF THIS SCHEME

1.1 DESCRIPTION OF COMPANIES

- 1.1.1 GlobeTF Solutions Limited** (hereinafter referred to as the “Transferor Company 1” or “Amalgamating Company 1” or “GSL”) was incorporated on **8 December 2023** under the Companies Act, 2013. The Corporate Identification Number of the Transferor Company 1 is **U62011MH2023PLC415115** and has its registered office located at **Global One, 2nd Floor, Office 1, CTS No. 252, 252/1, Opp. SBI, LBS Marg, Kurla (W), Mumbai – 400070, Maharashtra, India**. Transferor Company 1 is engaged in providing development of Trade Finance software to wide range of clients that are Banks, Non-Banking Financial Institutions and other financial institutions.
- 1.1.2 Estorifi Solutions Limited** (hereinafter referred to as the “Transferor Company 2” or “Amalgamating Company 2” or “ESL”) was incorporated on **13 October 2020** under the Companies Act, 2013. The Corporate Identification Number of the Transferor Company 2 is **U72900MH2020PLC347754** and has its registered office located at **Global one, 2nd Floor, CTS No. 252, 252/1, Opp. SBI, LBS Marg, Kurla (W), Mumbai – 400070, Maharashtra, India**. Transferor Company 2 is engaged in providing services like development of embedded finance solutions i.e. integrating holding companies lending solutions into non-financial platforms and applications.
- 1.1.3 Veefin Solutions Limited** (hereinafter referred to as the “Transferee Company” or “Amalgamated Company” or “VSL”) was originally incorporated on **14 October 2020** as a private limited company under the Companies Act, 2013 and later converted into a public limited company and renamed “Veefin Solutions Limited” on **15th May 2023**. The Corporate Identification Number of the Transferee Company is **L72900MH2020PLC347893** and has its registered office located at **Global One, 2nd Floor, Office 1, CTS No. 252, 252/1, Opp. SBI, LBS MARG, Kurla (W), Mumbai – 400070, Maharashtra, India**. Transferee Company is engaged in providing innovative Digital Lending and Supply Chain Finance (SCF) technology product solutions to a wide range of clients globally, including Banks, Non-Banking Financial Institutions, Fintechs, Marketplaces, and Corporates. The shares of the Transferee Company are listed on the SME Platform of BSE Limited.



1.2 RATIONALE FOR THE SCHEME

1.2.1 The Transferor Companies are the subsidiaries of the Transferee Company and hence the Transferor Companies and the Transferee Company are forming part of the same management. Further, acquiring ongoing business of Transferor Companies by Transferee Company will thereby result in broadening the product portfolio and achieve overall business synergies. Thus, with a view to achieve the main objective of consolidation of business carried on by Transferor Companies and Transferee Company, it is desirable to merge the Transferor Companies into Transferee Company in this Scheme.

1.2.2 Further, the amalgamation of the Transferor Companies into the Transferee Company would *inter alia* have the following benefits:

- a. Combining the ongoing businesses of Transferor Companies with the business of Transferee Company will together result in broadening the product portfolio and achieve overall business synergies.
- b. It shall provide an opportunity to leverage combined assets and build a stronger sustainable business. Specifically, the arrangement will enable optimal utilization of existing resources and provide an opportunity to fully leverage assets, capacities, experience and infrastructure of all the Transferor Companies and Transferee Company.
- c. Reducing managerial overlaps involved in operating multiple entities, enable cost savings and effective utilization of valuable resources which will enhance the management focus thereby leading to increase in operational and management efficiency; integrate business functions; eliminate duplication and rationalization of administrative expenses.
- d. Greater efficiency in cash management of the Transferee Company and unfettered access to cash flows generated by the combined businesses which can be deployed more efficiently to fund organic and inorganic growth opportunities to maximize shareholder value.
- e. Synchronization of efforts to achieve uniform corporate policy, greater integration and greater financial strength and flexibility for the Transferee Company.
- f. Better value creation for the shareholders of the company and improved competitive position of the combined entity in the market.



- g. Consolidation of businesses of the Transferor Companies and the Transferee Company under a single entity, the Transferee Company and achieve simplified corporate structure;
 - h. Upon completion of the Merger, the Transferor Companies will be dissolved. Consequently, reducing the regulatory and legal compliance obligations including accounting, reporting requirements, statutory and internal audit compliance requirements, tax filings, company law compliances, etc. and therefore reduction in administrative costs and efforts.
 - i. The intended Scheme is not prejudicial to the interest of shareholders, creditors or the employees of the Transferor Companies and the Transferee Company.
- 1.2.3 Apart from the Merger, this scheme also involves reduction of paid-up equity share capital of the Transferee Company by way of cancellation of part of existing equity shares held by Identified Shareholders immediately after the Merger. The reduction of existing equity share capital of Transferee Company is proposed to be undertaken with an objective of rationalizing the capital structure of the Transferee Company and achieve the desired shareholding pattern in the Transferee Company, as an integral part of this Scheme, thereby facilitating the effective implementation of the Scheme. It is also clarified that the proposed cancellation of shares of the Transferee Company does not result in any transfer of shares within the promoter group and will not have any adverse implications on any parties as it does not involve any pay-off, thereby impacting any creditors, vendors etc.
- 1.2.4 The Merger of the Transferor Companies into the Transferee Company pursuant to and in accordance with this Scheme shall take place with effect from the Appointed Date and shall be in accordance with Section 2(1B) of the Income-tax Act, 1961.

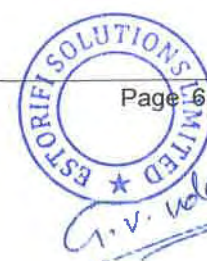
1.3 DEFINITIONS

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

- 1.3.1 "**Act**" means the Companies Act, 2013 and all the rules made thereunder and shall include any statutory modification, re-enactment or amendments thereof for time being in force.



- 1.3.2 **"Appointed Date"** means 1 April 2026 for the purposes of Merger of Transferor Companies with Transferee Company under this Scheme or such other date as may be determined by NCLT.
- 1.3.3 **"Board of Directors"** or **"Board"** means the board of directors of the Transferor Companies or the Transferee Company, as the context may require.
- 1.3.4 **"Effective Date"** means the date or last of the dates on which the certified copy of the order of the NCLT sanctioning this Scheme is filed with the Registrar of Companies, Mumbai by the Transferor Companies and the Transferee Company.
- Any reference in this Scheme to the date of "coming into effect of this Scheme" or "upon the Scheme becoming effective" or "upon the Scheme coming into effect" or "Scheme becomes effective" or "the merger has become effective" shall be construed accordingly.
- 1.3.5 **"Government"** means any applicable Central, State Government or local body, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India.
- 1.3.6 **"Identified Shareholders"** means the individual promoter shareholders holding shares in the Transferee Company whose shareholding will be cancelled in accordance with Clause 4.1.1.
- 1.3.7 **"Listing Regulations"** means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and includes all amendments or statutory modifications thereto or re-enactments thereof;
- 1.3.8 **"Merger" / "Amalgamation"** means the merger of the Transferor Companies into Transferee Company in accordance with Section 2(1B) of the Income Tax Act, 1961 or any re-enactment thereof.
- 1.3.9 **"NCLT"** means the National Company Law Tribunal, Mumbai bench having jurisdiction over Transferee Company and Transferor Companies.
- 1.3.10 **"New Equity Shares"** shall mean the equity shares of Transferee Company having face value of Rs 10 (Rupees Ten) each issued as per Clause 3.2.1.
- 1.3.11 **"Record Date"** means the date to be fixed by the Board of Directors of the Transferee Company for the purpose of determining the eligibility of the equity shareholders of the Transferor Companies to whom securities of the Transferee Company shall be allotted, pursuant to the merger in accordance with the Scheme.

1.3.12 **"Scheme" or "this Scheme" or "Scheme of Arrangement" or " Scheme of Arrangement and Amalgamation"** means this scheme of arrangement and amalgamation, between the Transferor Companies and the Transferee Company in its present form with any modification(s) and amendments as may be made from time to time, and with appropriate approvals and sanctions of NCLT and other relevant regulatory authority, as may be required under the Act as applicable and under all the applicable laws.

1.3.13 **"SEBI"** means the Securities and Exchange Board of India.

1.3.14 **"SEBI Circular"** means the Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June 2023, issued by SEBI, and includes all amendments or statutory modifications thereto or re-enactments thereof.

1.3.15 **"Stock Exchange"** means Bombay Stock Exchange ('BSE');

1.3.16 **"Transferee Company" or "Amalgamated Company" or "VSL"** shall have the meaning as ascribed to such term in the Clause 1.1.3.

1.3.17 **"Transferor Company 1" or "Amalgamating Company 1" or "GSL"** shall have the meaning as ascribed to such term in the Clause 1.1.1.

1.3.18 **"Transferor Company 2" or "Amalgamating Company 2" or "ESL"** shall have the meaning as ascribed to such term in the Clause 1.1.2.

1.3.19 **"Transferor Companies" or "Amalgamating Companies"** collectively mean and include GlobeTF Solutions Limited and Estorifi Solutions Limited.

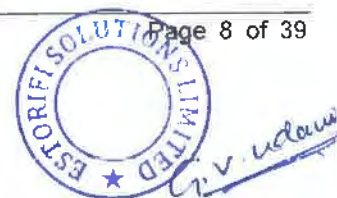
1.3.20 **"Undertaking"** means and includes the whole of the undertaking of the Transferor Companies as a going concern, including the entire businesses being carried on by the Transferor Companies and shall include (without limitation), to the extent applicable:

- (a) all the assets and properties, whether movable or immovable (if any), real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but not limited to land and building (freehold or leasehold), all plant and machinery, fixed assets, work in progress, current assets, reserves, provisions, funds, owned or leased, licenses, registrations, certificates, permissions, consents, approvals from state, central, municipal or any other authority for the time being in force, concessions, remissions, remedies, subsidies, guarantees, bonds, rights and licenses, tenancy rights, premises, hire purchase, lending arrangements, benefits of security arrangements, security contracts,



computers, insurance policies, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, contracts and arrangements, master service agreements, pricing agreements, technology / technical agreements, powers, authorities, permits, allotments, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, non-compete fee, benefit and advantage, deposits including security deposits, reserves, preliminary expenses, provisions, advances, receivables, deposits, funds, cash, bank balances, accounts and all other rights, benefits of all agreements, subsidies, grants, incentives, tax and other credits (including but not limited to credits in respect of income-tax, minimum alternate tax i.e. tax on book profits, tax deducted at source, tax collected at source, value added tax, central sales tax, sales tax, CENVAT, excise duty, service tax, goods and service tax, etc.), tax losses, brought forward tax losses, tax benefits and other claims and powers, all books of accounts, documents and records of whatsoever and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Companies, as on the Appointed Date;

- (b) all intellectual property rights including patents designs, copyrights, trademarks, brands (whether registered or otherwise), records, files, papers, computer programs, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the Transferor Companies' business activities and operations;
- (c) right to any claim not preferred or made by the Transferor Companies in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Companies and any interest thereon, with regard to any law, act or rule or scheme made by the Government, and in respect of set-off, carry forward of unabsorbed losses and/ or unabsorbed depreciation, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income-tax Act, 1961, or taxation laws of other countries, or any other or like benefits under the said statute(s) or under and in accordance with any law or statute, whether in India or anywhere outside India;
- (d) all debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Companies and all other obligations of whatsoever kind, nature and description. Provided that, any reference in the security documents or



arrangements entered into by the Transferor Companies and under which, the assets of the Transferor Companies stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that Undertaking of the Transferor Companies only as are vested in Transferee Company by virtue of the Scheme and the Scheme shall not operate to enlarge security for any loan, deposit or facility created by the Transferor Companies which shall vest in Transferee Company by virtue of Merger and the Transferee Company shall not be obliged to create any further or additional security thereof on or after the Effective Date;

- j. all other obligations of whatsoever kind, including liabilities of the Transferor Companies with regard to their employees with respect to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment; and
- k. all employees, as on the Effective Date, directly or indirectly engaged by the Transferor Companies at various locations.

1.4 It is intended that the definition of Undertaking under this Clause will enable the transfer of all property, assets, rights, duties, obligations, entitlements, benefits, employees and liabilities of Transferor Companies to Transferee Company pursuant to this Scheme.

1.5 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act.

1.6 The Scheme of Arrangement and Amalgamation does not in any way violate or override or circumscribe the provisions of SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, the Companies Act, 2013, the rules, Regulations and guidelines under the Acts, the provisions as explained in Regulation 11 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the requirements of applicable SEBI Circular and stock exchanges.

1.7 INTERPRETATION

1.7.1 In this Scheme, unless the context otherwise requires:

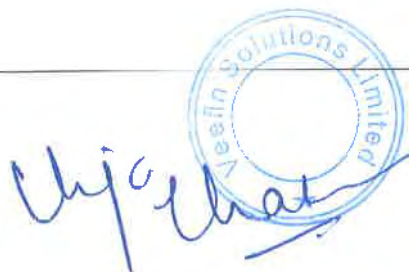
- (a) the words "including", "include" or "includes" shall be interpreted in a manner as though the words "without limitation" immediately followed the same;
- (b) any person includes that person's legal heirs, administrators, executors, liquidators, successors, successors-in-interest and permitted assigns, as the case may be;




- (c) any document or agreement includes a reference to that document or agreement as varied, amended, supplemented, substituted, novated or assigned, from time to time, in accordance with the provisions of such a document or agreement;
- (d) the words "other", "or otherwise" and "whatsoever" shall not be construed ejusdem generis or be construed as any limitation upon the generality of any preceding words or matters specifically referred to;
- (e) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- (f) the term "Clause" refers to the specified clause of this Scheme;
- (g) reference to any legislation, statute, regulation, rule, notification or any other provision of law means and includes references to such legal provisions as amended, supplemented or re-enacted from time to time, and any reference to legislation or statute includes any subordinate legislation made from time to time under such a legislation or statute and regulations, rules, notifications or circulars issued under such a legislation or statute;
- (h) in addition to the defined terms under Clause 1.3, certain terms are defined elsewhere in this Scheme and wherever such terms are used in this Scheme, they shall have the meaning so assigned to them;
- (i) references to one gender includes all genders; and
- (j) words in the singular shall include the plural and vice versa.

1.8 DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT, unless otherwise specified in the Scheme, shall be effective from the Appointed Date, and shall be operative from the Effective Date.



PART-II: SHARE CAPITAL

2. SHARE CAPITAL

2.1 GlobeTF Solutions Limited

2.1.1 The authorized, issued, subscribed and paid-up share capital of the Transferor Company 1 as on June 30, 2025 are as under:

Particulars	Amount (Rs.)
<u>Authorized Share Capital</u>	
2,50,000 equity shares of Rs. 10 each	25,00,000
TOTAL	25,00,000
<u>Issued, subscribed and paid-up Share Capital</u>	
13,033 equity shares of Rs. 10 each, fully paid up	1,30,330
TOTAL	1,30,330

There is no change in the authorised, issued, subscribed and paid up share capital of GSL after the aforesaid date. Further, as on the date of approval of Scheme by Board of Directors of the Companies, VSL, the Transferee Company holds 56.78% of issued, subscribed and paid-up Equity share capital of Transferor Company 1.

2.2 Estorifi Solutions Limited

2.2.1 The authorized, issued, subscribed and paid-up share capital of the Transferor Company 2 as on June 30, 2025 are as under:

Particulars	Amount (Rs.)
<u>Authorized Share Capital</u>	
1,00,000 equity shares of Rs. 10 each	10,00,000
3,10,000 OCRPS of Rs. 100 each	3,10,00,000
TOTAL	3,20,00,000
<u>Issued, subscribed and paid-up Share Capital</u>	
24,062 equity shares of Rs. 10 each, fully paid up	2,40,620
3,07,725 OCRPS of Rs. 100 each	3,07,72,500
TOTAL	3,10,13,120

However, as on 30 September 2025, Transferor Company 2 has undertaken right issue of 1,045 equity shares of Rs 10 each. Further, 3,07,725 OCRPS has been converted into 113 equity shares of Rs 10 each. The resulting authorized, issued, subscribed and paid-up share capital of ESL, the Transferor Company 2 is as under:



Particulars	Amount (Rs.)
<u>Authorized Share Capital</u>	
1,00,000 equity shares of Rs. 10 each	10,00,000
TOTAL	10,00,000
<u>Issued, subscribed and paid-up Share Capital</u>	
25,220 equity shares of Rs. 10 each, fully paid up	2,52,200
TOTAL	2,52,200

There is no change in the authorised, issued, subscribed and paid up share capital of ESL after the aforesaid date. Further, as on the date of approval of Scheme by Board of Directors of the Companies, VSL, the Transferee Company holds 41.74% of issued, subscribed and paid-up Equity share capital of Transferor Company 2.

2.3 Veefin Solutions Limited

2.3.1 The authorized, issued, subscribed and paid-up share capital of Transferee Company as on June 30, 2025 are as under:

Particulars	Amount (Rs.)
<u>Authorized Share Capital</u>	
2,50,00,000 equity shares of Rs. 10 each	25,00,00,000
TOTAL	25,00,00,000
<u>Issued, subscribed and paid-up Share Capital¹</u>	
2,39,73,407 equity shares of Rs. 10 each, fully paid up	23,97,34,070
TOTAL	23,97,34,070

Further, as on 07 August 2025, 4,20,000 Convertible Warrants of VSL has been converted into 4,20,000 equity shares of Rs 10 each. The resulting authorized, issued, subscribed and paid-up share capital of VSL, the Transferee Company is as under:

Particulars	Amount (Rs.)
<u>Authorized Share Capital</u>	
2,50,00,000 equity shares of Rs. 10 each	25,00,00,000
TOTAL	25,00,00,000
<u>Issued, subscribed and paid-up Share Capital¹</u>	
2,43,93,407 equity shares of Rs. 10 each, fully paid up	24,39,34,070
TOTAL	24,39,34,070

Additionally, subject to shareholders and stock exchange approval, the increase in authorized share capital², proposed preferential issue of equity shares³ and issue of



convertible share warrants⁴ has been announced on September 15, 2025. The resultant authorized, issued, subscribed and paid-up share capital of VSL, the Transferee Company without considering conversion of such Warrants, will be as under:

Particulars	Amount (Rs.)
<u>Authorized Share Capital</u>	
3,00,00,000 equity shares of Rs. 10 each	30,00,00,000
TOTAL	30,00,00,000
<u>Issued, subscribed and paid-up Share Capital¹</u>	
2,56,93,264 equity shares of Rs. 10 each, fully paid up	25,69,32,640
TOTAL	25,69,32,640

¹Issued, subscribed and paid-up Share Capital consists of shares held by ESOP Trust of Rs 58,53,000.

² Increase in authorized share capital to Rs 30,00,00,000 divided into 3,00,00,000 equity shares of Rs 10 each is subject to shareholders and stock exchange approval.

³12,99,857 preferential issue of equity shares of Rs 10 each is subject to shareholders and stock exchange approval.

⁴11,12,820 convertible warrants of Rs 10 each, partly paid up to the extent of 25%, issued at Rs 390 each (including premium of Rs 380) is subject to shareholders and stock exchange approval.

The equity shares of the Transferee Company are listed on the SME Platform of BSE Limited.

Without prejudice to the above, during the period between the date of approval of the Scheme by the respective Boards and upto and including the date of allotment of shares pursuant to the Scheme, there shall be no change in the authorised, issued, subscribed and paid up share capital of VSL, except under any of the following circumstances:

- by mutual written consent of the respective Boards of the Companies; or
- exercise of employee stock options granted under existing stock option scheme of the Transferee Company; or
- Preferential allotment of shares by the Transferee Company in accordance with the SEBI ICDR Guidelines for raising funds upto Rs 2,00,00,00,000.



PART-III: MERGER OF TRANSFEROR COMPANIES INTO THE TRANSFeree COMPANY

3. AMALGAMATION OF GLOBETF SOLUTIONS LIMITED AND ESTORIFI SOLUTIONS LIMITED WITH VEEFIN SOLUTIONS LIMITED

3.1 TRANSFER AND VESTING OF UNDERTAKING OF TRANSFEROR COMPANIES

3.1.1 Subject to the provisions of this Scheme as specified herein and with effect from the Appointed Date, the entire Undertaking of Transferor Companies shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner:

- (a) All assets and liabilities of whatsoever nature and wheresoever situated, shall, under the provisions of Section 230 read with Section 232 and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in sub-clauses (b),(c), (d) and (e) below), be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become as from the Appointed Date the Undertaking of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations therein.

Provided that for the purpose of giving effect to the vesting order passed under Section 232 in respect of this Scheme, the Transferee Company shall be entitled to get effected the change in the title and the appurtenant legal right(s) upon the vesting of such properties in accordance with the provisions of the Act, at the office of the respective registrar of assurances or any other concerned authority, where any such property is situated.

- (b) The mutation of the ownership or title, or interest in the immovable properties if any in favour of the Transferee Company shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme post the Effective Date in accordance with the terms thereof.
- (c) All the movable assets including cash in hand, if any, capable of passing by manual delivery or constructive delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company, to the end and intent that the ownership and property therein stands transferred to the Transferee Company on such handing over in pursuance of the provisions of Section 232 and other applicable provisions of the Act (as an integral



part of the Undertaking). The plant and machinery (if any), which are fastened to land and/ or buildings continue to remain movable properties *inter alia* because the said plant and machinery are fastened to land only with a view to have better enjoyment of the movable properties.

- (d) In respect of all movables, other than those specified in sub-clause (c) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, local and other authorities and bodies, customers and other persons, the same shall, without any further act, instrument or deed, be transferred to and stand vested in and/ or be deemed to be transferred to and stand vested in the Transferee Company under the provisions of the Act.
- (e) In relation to the assets, properties and rights including tenancy rights, rights arising from contracts, deeds, instruments and agreements, if any, which require separate documents of transfer including documents for attornment or endorsement, as the case may be, the Transferee Company will execute the necessary documents of transfer including documents for attornment or endorsement, as the case may be, as and when required or will enter into a novation agreement.
- (f) Upon coming into effect of this Scheme and with effect from the Appointed Date all liabilities including but not limited to all secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations forming part of the Undertaking of the Transferor Companies or otherwise, all other obligations (including any guarantees, letter of credit or any other instrument or arrangement which may give rise to a contingent liability in whatever form) whether relating to and comprised in any of the undertaking or otherwise, 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 NCLT and under the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, 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 the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor

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Companies, and the Transferee Company shall meet, discharge and satisfy the same, further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause.

- (g) With effect from the Appointed Date, all debts, liabilities (including deferred tax liability), duties, guarantees, indemnities and obligations of every kind, nature, description, whether or not provided for in the books of accounts and whether disclosed or undisclosed in the balance sheet shall also, under the provisions of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company on the same terms and conditions, as applicable, so as to become as on and from the Appointed Date the debts, liabilities, duties, guarantees, indemnities and obligations 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 debts, liabilities, duties, guarantees, indemnities and obligations have arisen, in order to give effect to the provisions of this sub-clause.

However, the Transferee Company may, at any time, after the coming into effect of this Scheme, if so required, under any law or otherwise, execute deeds of confirmation in favour of the creditors, or lenders, as the case may be, or in favour of any other party to the contract or arrangement to which Transferee Company is a party or any writing, as may be necessary, in order to give formal effect to the provisions mentioned herein. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Companies as well as to implement and carry out all such formalities and compliances referred to above.

- (h) The transfer and vesting of the Undertaking of the Transferor Companies as aforesaid shall be subject to the existing securities, charges and mortgages, if any, subsisting, over or in respect of the property and assets or any part thereof of the Transferor Companies.

Provided, however, that any reference in any security documents or arrangements (to which Transferor Companies are parties) pertaining to the assets of Transferor Companies offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to such assets, as are offered or agreed to be offered as security, pertaining to Transferor Companies as are



vested in the Transferee Company by virtue of the aforesaid Clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferor Companies or any of the assets of the Transferee Company.

- (i) With effect from the Appointed Date, all permits, quotas, rights, entitlements, tenancies and licenses relating to brands, trademarks, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Undertaking of the Transferor Companies and which are subsisting or having effect immediately before the Appointed Date, shall be and remain in full force and effect in favour of the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a beneficiary or obligee thereto.
- (j) With effect from the Appointed Date, any statutory licenses, permissions, approvals and/or consents held by the Transferor Companies are required to carry on its 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 or any other person concerned therewith in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Transferor Companies shall vest in, and become available to, the Transferee Company upon the Scheme coming into effect.
- (k) All registrations, benefits, incentives, exemptions, subsidies, special status and other benefits or privileges enjoyed (including minimum alternate tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and service tax and other incentives), granted by the Government or by any other person and availed of by the Transferor Companies (collectively, the "Benefits") will be transferred to the Transferee Company, on the same terms and conditions as presently available to the Transferor Companies, upon the Transferee Company intimating the concerned authority or undertaking the necessary actions for the transfer and /or the Board of Directors of the Transferee Company will be authorized to seek approval or enter into an agreement with the concerned authority and/ or undertake such other activity as is necessary for being eligible for the Benefits availed by the Transferor Companies.



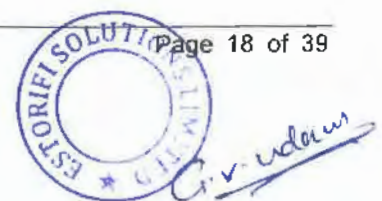

- (l) From the Effective Date and till such time that the names of the bank accounts of the Transferor Companies including but not limited to balances with scheduled banks in current accounts and in deposit accounts are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Companies, in its name, in so far as may be necessary.
- (m) All legal proceedings of whatsoever nature by or against the Transferor Companies pending and/ or arising at the Appointed Date shall be continued and/ or enforced until the Effective Date by the Transferor Companies. In the event of the Transferor Companies failing to continue or enforce any legal proceeding, the same may be continued or enforced by the Transferee Company, at the cost of the Transferee Company. As and from the Effective Date, the legal 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 Companies.

Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the Merger or anything contained in the Scheme.

On and from the Effective Date, the Transferee Company may initiate any legal proceedings in relation to the Transferor Companies in the same manner and to the same extent as would or might be initiated by Transferor Companies. The Merger of the Transferor Companies into the Transferee Company pursuant to and in accordance with this Scheme shall take place with effect from the Appointed Date and shall be in accordance with Section 2(1B) of the Income-tax Act, 1961.

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

- (n) Without prejudice to the above provisions, with effect on and from the Appointed Date, all inter-party transactions between the Transferor Companies and the Transferee Company per se shall be considered as intra-party transactions for all purposes on and from the Appointed Date.
- (o) The Transferee Company, under the provisions of this Scheme, is hereby authorized or be deemed to be authorized to execute all and any writings on behalf



of the Transferor Companies, to implement and carry out all formalities and compliances in relation to the above-mentioned Clause(s), if required.

3.2 CONSIDERATION

Issue of consideration on amalgamation of Transferor Companies with Transferee Company

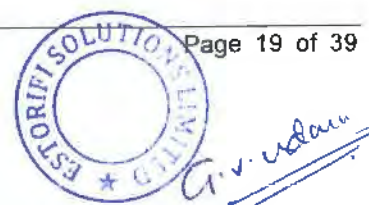
3.2.1 Upon the coming into effect of this Scheme and in consideration of the amalgamation of the Transferor Companies into the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the shareholders of the Transferor Companies whose names are recorded in the register of members as a member of the respective Transferor Companies on the Record Date (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of the Transferee Company), as follows:

- 2,731 equity shares of the Transferee Company, credited as fully paid-up equity shares of the face value of INR 10 each, for every 10 (Ten) fully paid-up equity shares of the face value of INR 10 (Indian Rupees Ten) of Transferor Company 1; and
- 7,673 equity shares of the Transferee Company, credited as fully paid-up equity shares of the face value of INR 10 each, for every 10 (Ten) fully paid-up equity shares of the face value of INR 10 (Indian Rupees Ten) of Transferor Company 2,

each held by such member in the respective Transferor Companies ("Share Exchange Ratio"). The Transferee Company Shares to be issued by the Transferee Company to the shareholders of the Transferor Company 1 and Transferor Company 2 in accordance with this Clause, hereinafter referred to as "New Equity Shares".

3.2.2 The Share Exchange Ratio stated in Clause 3.2.1 of this Scheme has been taken on record and approved by the Boards of each of the Transferor Companies and Transferee Company after taking into consideration the valuation report dated 30 September 2025 provided by BDO Valuation Advisory LLP (IBBI Registered Valuer Number IBBI/RV/06/2018/10500), a Registered Valuer.

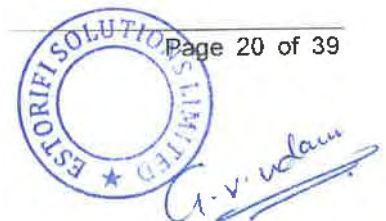
3.2.3 The Transferee Company had engaged Socradamus Capital Private Limited, as the merchant bankers to provide a fairness opinion on the Share Exchange Ratio adopted under the Scheme from a financial point of view. In connection with such engagement,



Socradamus Capital Private Limited, has issued a fairness opinion dated 30 September 2025.

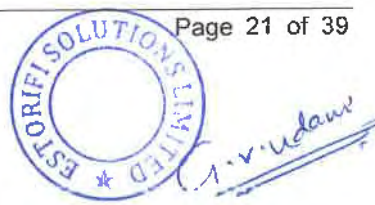
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- 3.2.4 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of any of the Transferor Companies, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, as the case may be, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the shares in the respective Transferor Company and in relation to the Transferee Company Shares issued by the Transferee Company, after the effectiveness of the Scheme. The Board of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Transferee Company on account of difficulties faced in the transition period.
- 3.2.5 Where New Equity Shares of the Transferee Company are to be allotted to heirs, executors or administrators, as the case may be, to successors of deceased equity shareholders or legal representatives of the equity shareholders of the respective Transferor Company, the concerned heirs, executors, administrators, successors or legal representatives shall be obliged to produce evidence of title satisfactory to the Board of the Transferee Company.
- 3.2.6 The New Equity Shares of the Transferee Company allotted and issued in terms of Clause 3.2.1 above, shall be listed and / or admitted to trading on the BSE on the same SME platform (where the existing shares of the Transferee Company are listed), in compliance of the SEBI Circular and other relevant provisions and subject to the Transferee Company obtaining the requisite approvals from all the relevant Governmental Authorities pertaining to the listing of the New Equity Shares of the Transferee Company.
- 3.2.7 The Transferee Company shall enter into such arrangements and give such confirmations and / or undertakings as may be necessary in accordance with Applicable Laws for complying with the formalities of the Stock Exchanges.
- 3.2.8 The New Equity Shares of the Transferee Company to be allotted and issued to the shareholders of the Transferor Companies as provided in Clause 3.2.1 above shall be subject to the provisions of the memorandum and articles of association of the



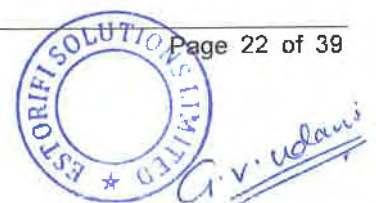
Transferee Company and shall rank pari passu in all respects with the then existing Transferee Company Shares after the Effective Date including with respect to dividends, voting rights and other corporate benefits attached to the equity shares of the Transferee Company.

- 3.2.9 The Transferee Company shall complete all formalities, as may be required, for allotment of the New Equity Shares to the shareholders of the Transferor Companies as provided in this Scheme within thirty (30) days from the Effective Date. It is clarified that the issuance and allotment of the New Equity Shares by the Transferee Company to the shareholders of the Transferor Companies as provided in the Scheme, is an integral part thereof and shall be deemed to have been carried out without requiring any further act on the part of the Transferee Company or its shareholders and as if the procedure laid down under Section 62 of the Act, applicable Foreign Exchange Management Act Regulations in India or any other applicable provisions of the Act, as may be applicable, and such other statutes and regulations as may be applicable were duly complied with.
- 3.2.10 If any member of the respective Transferor Company becomes entitled to any fractional equity shares on the issue and allotment of the New Equity Shares by the Transferee Company in accordance with Clause 3.2.1 above, the Board of the Transferee Company shall round up such fractional equity share to the nearest whole number i.e., fractions shall be rounded up to 1 share.
- 3.2.11 The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities, including the BSE, for the issue and allotment by the Transferee Company of the New Equity Shares to the members of the Transferor Companies pursuant to the Scheme.
- 3.2.12 Subject to Applicable Laws, the New Equity Shares to be issued in terms of this Scheme shall be issued in dematerialized form. The register of members maintained by the Transferee Company and / or other relevant records, whether in physical or electronic form, maintained by the Transferee Company, the relevant depository and registrar and transfer agent in terms of Applicable Laws shall (as deemed necessary by the Board of each of the Transferor Company) be updated to reflect the issue of the New Equity Shares in terms of this Scheme. The shareholders of the Transferor Companies who hold equity shares in the Transferor Companies in physical form should provide the requisite details relating to his / her / its account with a depository participant or other confirmations as may be required, to the Transferee Company, prior to the Record Date to enable it to issue the New Equity Shares in Demat form. However, if no such details



have been provided to the Transferee Company by the equity shareholders holding equity shares of the respective Transferor Company in physical form on or before the Record Date, the Transferee Company shall deal with the relevant equity shares in such manner as may be permissible under the Applicable Law.

- 3.2.13 The New Equity Shares to be issued by the Transferee Company shall be in dematerialized form only. In case any of the shareholder of the Transferor Companies does not have a demat account, the Transferee Company shall open a separate demat account for such shareholder in accordance with SEBI Notification F. No. SEBI/LAD-NRO/GN/2025/261 dated September 8, 2025.
- 3.2.14 The shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing / trading permission is given by the BSE.
- 3.2.15 There shall be no change apart from changes stated above in Clause 2.3.1 in the shareholding pattern or control of the Transferee Company between the Record Date and the date of listing of equity shares issued pursuant to the Scheme of the Transferee Company which may affect the status of the BSE's approval.
- 3.2.16 The New Equity Shares to be issued by the Transferee Company in lieu of the shares of the Transferor Companies held in the unclaimed suspense account of any of the Transferor Companies shall be issued to a new unclaimed suspense account created for shareholders of that respective Transferor Company.
- 3.2.17 The effectiveness of this Scheme is conditional upon the Scheme being approved by the members of the Transferor Companies in terms of the Act and approval of the public shareholders of the Transferee Company in terms of the SEBI Circular. The Scheme shall be acted upon only if votes cast by the public shareholders of the Transferee Company in favour of the proposal are more than the number of votes cast by public shareholders of the Transferee Company against it. Promoters and promoter group shareholders voting shall not be considered for Scheme approval as mentioned in SEBI Circular. Upon approval of this Scheme by the Board and members of each of the Amalgamating Companies pursuant to Sections 230-232 of the Act and other relevant provisions of the Act, if applicable, it shall be deemed that the Board and members of each of the Amalgamating Companies have also accorded their consent under Sections 13, 42, 61, 62(1)(c) and 64 of the Act and / or any other applicable provisions of the Act and the relevant provisions of the Articles, as may be applicable, for the aforesaid issuance of the Transferee Company Shares to the equity shareholders of the respective



Transferor Company and amendment of the memorandum of association of the Transferee Company, and no further resolution or actions, including compliance with any procedural requirements, shall be required to be undertaken by the Transferee Company under Sections 13, 42, 61, 62(1)(c) or 64 of the Act and / or any other applicable provisions of the Act. Upon this Scheme coming into effect, the Transferee Company shall, if required, file all necessary documents / intimations as per the provisions of Act with the RoC or any other applicable Governmental Authority to record the amalgamation of Transferor Companies with and into the Transferee Company, issuance of the Transferee Company Shares to the equity shareholders of the Transferor Companies and dissolution of the Transferor Companies, in the manner set out in this Scheme.

3.2.18 In the event the Transferee Company or the Transferor Companies restructures its equity share capital by way of share split / consolidation / issue of bonus shares / rights issue / changes as mentioned above in Clause 2.3.1 during the pendency of the Scheme, the Share Exchange Ratio shall be adjusted accordingly to consider the effect of any such corporate actions.

3.3 CANCELLATION OF INTER-COMPANY INVESTMENTS AND INTER-COMPANY BALANCES HELD BETWEEN THE TRANSFEE COMPANY AND TRANSFEROR COMPANIES

3.3.1 Pursuant to the Merger and upon the Scheme becoming effective, the inter-company investment in shares and inter-company balance(s) held between the Transferor Companies and/or between Transferee Company and respective Transferor Companies, will stand cancelled and there shall be no further obligation / outstanding in that regard. Cancellation of inter-company investments and inter-company balances in the manner set forth in this Clause shall be effected as an integral part of this Scheme.

3.3.2 Upon coming into effect of the Scheme, 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 liability, including a contingent liability in whatever form), if any, due or which may at any time in future become due inter-se between the Transferor Companies and/or any of the Transferor Companies with 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.



3.4 ACCOUNTING TREATMENT

With effect from the Appointed Date, upon the Scheme coming into effect, the accounting for the amalgamation would be done in accordance with the pooling of interest method of accounting referred in Accounting Standard 14 - Accounting for Amalgamation (AS-14). Accordingly, the Transferee Company shall record in its books of accounts as under:

- 3.4.1 As on the Appointed Date for Amalgamation, the Transferee Company shall record the assets, liabilities and reserves of the Transferor Companies vested in it pursuant to the Scheme at their existing carrying amounts;
- 3.4.2 The identity of the reserves of the Transferor Companies shall be maintained and the same shall be aggregated with the balances of similar reserves, if any, in the books of the Transferee Company;
- 3.4.3 The equity shares held by the Transferee Company in the Transferor Companies will stand cancelled as on the Effective Date and there shall be no further obligation in that behalf;
- 3.4.4 The inter-corporate deposits / loans and advances outstanding between the Transferee Company and the Transferor Companies as on the Effective Date will stand cancelled and there shall be no further obligation in that behalf;
- 3.4.5 The face value of New Equity Shares issued by the Transferee Company to the shareholders of the Transferor Companies pursuant to Clause 3.2.1 above shall be credited to the Equity Share Capital Account of the Transferee Company.
- 3.4.6 The excess/ deficit, being the net asset value of the Transferor Companies (i.e. the book value of assets minus the book values of the liabilities and reserves of the Transferor Companies as on the Appointed Date for Amalgamation) taken over as per Clause 3.4.1 and 3.4.2, after accounting for the cancellation in Clause 3.4.3, Clause 3.4.4, and Clause 3.4.5, shall be credited by the Transferee Company to its reserves. In case the difference results in a deficit, it shall be debited by the Transferee Company to its reserves;
- 3.4.7 As regards cancellation of shares pursuant to clause 4 i.e., to the extent of face value of shares shall be debited to the equity share capital and corresponding credit will be made by the Transferee Company in the form of Capital Reserves.
- 3.4.8 Further, in case of any differences in accounting policy between the Transferee Company and the Transferor Companies, the accounting policies followed by the Transferee Company will prevail and the difference in recognition of assets and liabilities



which are appearing or should appear in the books of the Transferor Companies on the Appointed Date, as the case may be, will be quantified and adjusted in the Profit and Loss Account of the Transferee Company mentioned earlier to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

3.4.9 All the costs, charges and expenses (including but not limited to any taxes, duties, stamp duty, registration charges, etc.) in relation to any matter arising out of the Scheme including transfer of assets of the Transferor Companies to the Transferee Company in accordance with the Scheme shall be charged to the Profit and Loss Account of the Transferee Company.

3.4.10 Notwithstanding the above, the Board of Directors of the Transferee Company, in consultation with its statutory auditors, is authorized to account any of the balances in any other manner, if such accounting treatment is considered more appropriate.

3.5 COMPLIANCE WITH TAX LAWS

3.5.1 This Scheme is in compliance with the conditions relating to 'amalgamation' as specified under section 2(1B) and other relevant sections of the Income-tax Act, 1961. If any terms or provisions 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 retrospective amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the Income-tax Act, 1961 shall prevail. The Scheme shall then 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.

3.5.2 On or after the Effective Date, financial statements and returns along with prescribed forms, filings and annexures under the Income-tax Act, 1961 (including for the purpose of re-computing minimum alternative tax, and claiming other tax benefits), central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and services tax, VAT law and other tax laws, and to claim refunds and/ or credits for taxes paid (including minimum alternate tax, tax deducted at source, goods and service tax etc.), and to claim tax benefits etc. and for matters incidental thereto, shall be entitled to be revised for the Transferor Companies and the Transferee Company if required to give effect to the provisions of the Scheme.

3.5.3 All tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Companies pending and/or arising at the Appointed Date and relating to the



Transferor Companies shall be continued and/or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, all tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Companies.

Further, all tax proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the Merger or anything contained in the Scheme.

- 3.5.4 Any tax liabilities under the Income-tax Act, 1961, Wealth-tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and service tax, VAT law or other applicable laws/ regulations dealing with taxes, duties, levies allocable or related to the business of the Transferor Companies 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 or stand transferred to 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.
- 3.5.5 Any refund under the Income-tax Act, 1961, Wealth-tax Act, 1957, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and service tax, VAT law or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Companies due to any of the Transferor Companies consequent to the assessment made on such Transferor Companies and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 3.5.6 All taxes including income-tax, minimum alternate tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and service tax etc. paid or payable by the Transferor Companies in respect of the operations and/ or the profits of the business before the Appointed Date, shall be on account of the Transferor Companies and, in so far as it relates to the tax payment (including, without limitation, income-tax, minimum alternate tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and service tax etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Companies 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



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dealt with accordingly. Further, any tax deducted at source by Transferor Companies/ Transferee Company on payables to Transferee Company/ Transferor Companies on account of investments (if any) held by the Transferee Company in the Transferor Companies 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.

- 3.5.7 Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Companies under the Income-tax Act, 1961, customs duty laws, central sales tax, applicable state value added tax, service tax laws, excise duty laws, goods and service tax, VAT law or other applicable laws / regulations dealing with taxes/ duties / levies shall be made or deemed to have been made and duly complied with by the Transferee Company.
- 3.5.8 Without prejudice to the generality of the above, all benefits, incentives, losses (including but not limited to, tax losses, tax unabsorbed depreciation), accumulated losses, credits (including, without limitation income tax, minimum alternate tax, tax deducted at source, wealth tax, service tax, excise duty, central sales tax, applicable state value added tax, customs duty drawback, goods and service tax etc.) to which the Transferor Companies are entitled to in terms of applicable laws, shall be available to and vest in the Transferee Company, upon this Scheme coming into effect.
- 3.5.9 Upon the Scheme coming into effect, all tax compliances under any tax laws by the Transferor Companies on or after the Appointed Date shall be deemed to be made by the Transferee Company.

3.6 **CONTRACTS, DEEDS, CONSENTS AND OTHER INSTRUMENTS**

- 3.6.1 Upon the coming into effect of this Scheme and subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, instruments, licenses, engagements, certificates, permissions, consents, approvals, concessions and incentives (minimum alternative tax, sales tax, excise duty, custom duty, service tax, value added tax, goods and service tax and other incentives), remissions, remedies, subsidies, guarantees and other instruments, if any, of whatsoever nature to which the Transferor Companies are parties or to the benefit of which the Transferor Companies may be eligible and which have not lapsed and are subsisting or having effect on the Effective Date shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as




if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary thereto.

- 3.6.2 In pursuance of this Scheme coming into effect and subject to the other provisions of this Scheme, the Transferee Company may enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any arrangements, confirmations or novations in order to give formal effect to the provisions of this Scheme. The Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Companies and to implement or carry out all formalities required on the part of the Transferor Companies to give effect to the provisions of this Scheme.
- 3.6.3 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government, State Government or any other agency, department or other authorities as may be necessary under law, for such consents, approvals and sanctions which the Transferee Company may require to own and operate the Undertaking.
- 3.6.4 For the avoidance of doubt and without prejudice to the generality of the foregoing, upon the coming into effect of the Scheme and with effect from the Appointed Date, all consents, permissions, licences, certificates, clearances, authorities, powers of attorney given by, issued to, or executed in favour of the Transferor Companies 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
- 3.6.5 The provision set forth above in this Clause shall not affect any transaction or proceedings or contracts or deeds already concluded by the Transferor Companies on or before the Appointed Date and after the Appointed Date till the Effective Date. The Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as though done and executed on behalf of the Transferee Company.
- 3.7 LEGAL AND OTHER PROCEEDINGS**
- 3.7.1 Post the Effective Date, all legal and other proceedings including before any statutory or quasi-judicial authority or tribunal of whatsoever nature by or against the Transferor Companies pending and/or arising at the Appointed Date shall be continued and/or enforced by or against the Transferee Company only, to the exclusion of the Transferor



Companies in the same manner and to the same extent as would have been continued and enforced by or against the Transferor Companies.

3.7.2 Further, the aforementioned proceedings shall not abate or be discontinued nor in any way be prejudicially affected by reason of the Merger or anything contained in the Scheme.

3.7.3 On and from the Effective Date, the Transferee Company may, if required, initiate any legal proceedings including criminal proceedings in relation to the Transferor Companies in the same manner and to the same extent as would or might have been initiated by the Transferor Companies.

3.8 STAFF, WORKMEN AND EMPLOYEES

3.8.1 Post the Effective Date, all staff and employees if any (including those on sabbatical / maternity leave) of each of the Transferor Companies in service on the Effective Date shall stand transferred and vested and / or be deemed to have become staff and employees of the Transferee Company with effect from the Effective Date on the basis that:

- (a) Their respective services shall be continuous and shall not have been interrupted by reason of the transfer of the Undertaking of the Transferor Companies.
- (b) The terms and conditions of service applicable to the said staff, workmen and employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately before the transfer. The position, rank and designation of the employees would however be decided by the Transferee Company.
- (c) It is provided that as far as the Provident Fund, Gratuity Fund, Superannuation Fund or any other special fund (hereinafter referred as "Fund" or "Funds"), Employee Stock Option Plan ('ESOP'), if any, created or existing for the benefit of the staff, workmen and employees of the Transferor Companies are concerned, upon the Scheme coming into effect, the Transferee Company shall stand substituted for the Transferor Companies for all purposes whatsoever in relation to the administration or operation of such Fund or Funds, ESOP, if any, or in relation to the obligation to make contributions to the said Fund or Funds, ESOP, if any, in accordance with the provisions of respective Fund or Funds, ESOP, if any, as per the terms provided in the respective trust deeds. It is the aim and intent of the Scheme herein that all the rights, duties, powers and obligations of the Transferor Companies in relation to such



Fund or Funds, ESOP, if any, shall become those of the Transferee Company and all the rights, duties and benefits of the staff and employees of the Transferor Companies under such Fund or Funds, ESOP, if any, shall be protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff and employees of the Transferor Companies will be treated as having been continuous for the purpose of the Fund or Funds, ESOP, if any, and for other benefits such as long service awards.

- (d) In so far as the Fund or Funds, ESOP, if any, created or existing if any for the benefit of the employees of the Transferor Companies are concerned, upon the Effective Date, balances lying in the accounts of the employees of the Transferor Companies in the Fund or Funds, ESOP, if any, as on the Effective Date shall stand transferred from the respective Fund or Funds, ESOP, if any, of the Transferor Companies to the corresponding Fund or Funds, ESOP, if any, set up by the Transferee Company. All benefits being provided to the transferred employees will be treated as having been continuous and uninterrupted for the purpose of the aforesaid Fund or Funds, ESOP, if any.

3.9 SAVING OF CONCLUDED TRANSACTIONS

- 3.9.1 The transfer and vesting of Undertaking of the Transferor Companies into Transferee Company under Clause 3.1 (*Transfer and Vesting of Undertakings of Transferor Companies*), the effectiveness of contracts and deeds under Clause 3.6 (*Contracts, Deeds, Consents and Other Instruments*) and continuance of proceedings by or against the Transferee Company under Clause 3.7 (*Legal and Other Proceedings*) shall not affect any transaction or proceedings or contracts or deeds already concluded by the Transferor Companies on or before the Appointed Date or after the Appointed Date till the Effective Date. The Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of itself.

3.10 BUSINESS AND PROPERTY IN TRUST FOR TRANSFEE COMPANY

- 3.10.1 With effect from the Appointed Date and up to and including the Effective Date:

- (a) Transferor Companies shall carry on and be deemed to have carried on its business and activities and shall stand in possession of the whole of their Undertaking, in trust for the Transferee Company and shall account for the same to the Transferee Company.

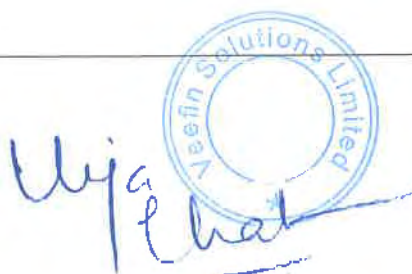


- (b) Any income or profit accruing or arising to the Transferor Companies and all costs, charges, expenses and losses (including brought forward losses, book losses etc.) or taxes (including but not limited to advance tax, tax deducted at source, minimum alternative tax, credit, taxes withheld, goods and service tax, etc.), incurred by the Transferor Companies shall for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes, as the case may be, of the Transferee Company and shall be available to the Transferee Company for being disposed off in any manner as it thinks fit.

3.11 CONDUCT OF BUSINESS UNTILL EFFECTIVE DATE

3.11.1 With effect from the Appointed Date and up to the Effective Date, the Transferor Companies:

- (a) shall carry on and shall be deemed to be carrying on all their respective business activities of undertaking and shall stand possessed of their respective properties and assets for and on account of and in trust for the Transferee Company and all the profits or income accruing or arising to the Transferor Companies and/ or any cost, charges, expenditure or losses arising or incurred by them, shall, for all our purposes be treated and be deemed to be and accrue as the profit or income or cost, charges, expenditure or losses of the Transferee Company.
- (b) hereby undertake to carry on their respective businesses until the Effective Date with reasonable diligence, utmost prudence and shall not, without the written consent of the Transferee Company, alienate, charge or otherwise deal with the said Undertaking or any part thereof except in the ordinary course of the Transferor Companies business.
- (c) shall not, without the written consent of the Transferee Company, undertake any new business.
- (d) shall not vary the terms and conditions of the employment of their employees except in the ordinary course of business
- (e) pay all statutory dues relating to their respective Undertakings for and on account of the Transferee Company
- (f) shall continue to comply with the provisions of the Act, including those relating to preparation, presentation, circulation and filing of accounts as and when they become due for compliance.



(g) shall not make any modification to its capital structure either by an increase (by issue of rights shares, bonus shares, convertible debentures or otherwise), decrease, reclassification, sub-division or re-organisation, or in any other manner whatsoever, except with the mutual consent of the Transferor Companies and the Transferee Company.

3.11.2 Notwithstanding anything stated herein, the shareholders of the Transferor Companies and the Transferee Company shall be permitted to transfer the securities held by them in the Transferor Companies and the Transferee Company in accordance with their respective articles of association.

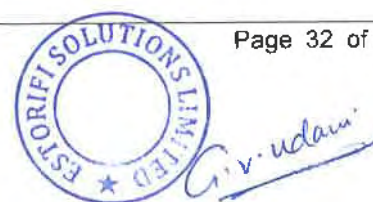
3.11.3 With effect from the Effective Date, the Transferee Company shall commence and carry on and shall be authorized to carry on the business carried on by the Transferor Companies.

3.12 CONSOLIDATION OF AUTHORIZED SHARE CAPITAL AND AMENDMENT OF MEMORANDUM OF ASSOCIATION

Consolidation of Authorized Share Capital of the Transferee Company

3.12.1 Upon this Scheme becoming effective, the aggregate of authorized share capital of the Transferee Company shall automatically stand increased with that of authorised Share Capital of the Transferor Companies, as on the Effective Date, without any further act or deed, and accordingly 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. The consent of the shareholders of the Transferor Companies and 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 Sections 13, 61 and 14 of Act and Section 232 of the Act and other applicable provisions of the Act would be required to be separately passed, as the case may be. Further, the Transferee Company will pay the applicable stamp duty or the registration fees on the aforesaid consolidation of authorised share capital after adjusting/set-off of the fees already paid by the Transferor Company on its authorised share capital.

3.12.2 On the Effective Date, Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, stand altered, modified, and amended pursuant to the Act and other applicable provisions of the Act, as the case may be and be increased accordingly.



3.13 DISSOLUTION OF THE TRANSFEROR COMPANIES

- 3.13.1 On the Scheme coming into effect, the Transferor Companies shall, without any further act or deed, matter or thing, stand dissolved without winding up.
- 3.13.2 On and with effect from Effective Date, the names of the Transferor Companies shall be struck off from the records of the appropriate Registrar of Companies.
- 3.13.3 Even after the scheme become effective, the Transferee Company shall be entitled to operate all bank accounts relating to the Transferor Companies and realize all the monies and complete and enforce all pending contracts and transactions in the name of Transferor Companies insofar as may be necessary until the transfer and vesting of rights and obligation of Transferor Companies to the Transferee Company under this scheme is formally effected by the parties concerned.

3.14 DIVIDENDS & PROFITS

- 3.14.1 For the avoidance of doubt, it is hereby clarified that nothing in this Scheme shall prevent Transferee Company and Transferor Companies from declaring and paying dividend, whether interim or final, in respect of the profits relating to the accounting period(s) prior to the Appointed Date, to their respective shareholders, as may be decided by their respective Board of Directors.
- 3.14.2 Subject to the provisions of this Scheme, the profits of the Transferor Companies, for the period beginning from the Appointed Date, shall belong to and be the profits of Transferee Company and would be available to Transferee Company for being utilized in any manner as the Transferee Company thinks fit.
- 3.14.3 The Transferor Companies shall not utilize the profits or income, if any, for the purpose of declaring or paying any dividend or for any other purpose in respect of the period from and after the Appointed Date, without the prior consent of the Transferee Company.
- 3.14.4 In the event that Transferee Company declares any dividend in respect of the profits relating to the accounting period(s) between the Appointed Date and the Effective Date, then in such event, the shareholders of the Transferor Companies who are entitled to receive New Equity Shares pursuant to Clause 3.2 above (the "**Transferor Companies Shareholders**") on the Effective Date shall also be eligible to receive an amount representing such dividend proportionate to the New Equity Shares they are entitled to receive. For this purpose, Transferee Company shall, at the time of declaration of dividend to its shareholders as aforesaid, reserve the amount required for payment of




dividend to the Transferor Companies Shareholders. The Board of Directors of Transferee Company will declare the aforesaid reserved amount as dividend to the Transferor Companies Shareholders after the Effective Date and the amount set apart will be appropriated towards such declaration. For the avoidance of doubt it is clarified that no interest shall be payable by Transferee Company to the Transferor Companies Shareholders in relation to such amount to be applied towards payment of such dividend.

3.14.5 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Transferor Companies and/ or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Companies and Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Companies and Transferee Company, respectively.

3.15 **BOOKS AND RECORDS OF THE TRANSFEE COMPANY**

All books, records, files, papers, databases, catalogues, if any, lists of present and former clients and all other books and records, whether in physical or electronic form, of the Transferor Companies, to the extent possible and permitted under applicable laws, be handed over by the Transferor Companies to the Transferee Company.



PART- IV: REDUCTION OF PAID-UP EQUITY SHARE OF CAPITAL OF TRANSFEREE COMPANY

4. REDUCTION OF PAID-UP EQUITY SHARE CAPITAL OF THE TRANSFEREE COMPANY

4.1.1 As an integral part of the Scheme and upon the Scheme becoming effective, the subscribed, issued and paid-up Equity Share capital of the Transferee Company held by the Identified Shareholders as on the Effective Date shall stand cancelled with no consideration to such shareholders, to the extent of:

- Gautam Udani: 3,00,000 equity shares of Rs 10 each
- Raja Debnath: 18,00,000 equity shares of Rs 10 each

Accordingly, the share capital of the Transferee Company shall stand reduced to the extent of face value of Equity Shares cancelled as mentioned above which are currently held by the Identified Shareholders in the Transferee Company.

4.1.2 The reduction of paid up equity share capital of the Transferee Company as aforesaid would not involve diminution of liability in respect of unpaid share capital, if any, but only cancellation of paid-up equity share capital of the Transferee Company held by the Identified Shareholders. The proposed reduction of equity share capital of the Transferee Company would not in any way adversely affect the operations of the Transferee Company or the ability of the Transferee Company to honour its commitment or to pay its debts in ordinary course of business since it proposed reduction does not involve any pay-off of cash or otherwise to the holders of shares which are being cancelled. Further, no compromise or arrangement is contemplated to be made with the creditors of the Transferee Company under the Scheme.

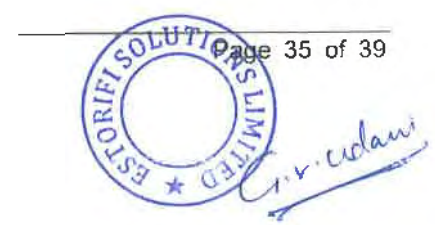
4.1.3 Such reduction of share capital of the Transferee Company as provided in clause 4.1.1 above shall be effected as an integral part of the Scheme and in accordance with Explanation to Section 230 of the Act.

4.1.4 It is expressly clarified that no creditor of the Transferee Company will be adversely affected by the reduction of Equity Share capital.

4.1.5 All the equity share certificates issued, if any by the Transferee Company with respect to such Equity Share capital shall automatically stand cancelled in the hands of the shareholder without any further act or deed.








PART-V: GENERAL TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

5. GENERAL TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

5.1 APPLICATIONS TO THE NCLT OR SUCH OTHER APPROPRIATE AUTHORITY

5.1.1 The Transferor Companies and the Transferee Company shall, with all reasonable dispatch, make application to the NCLT or such other appropriate authority under Sections 230 of the Act, seeking orders for dispensing with and/ or convening, holding and conducting of the meetings of the respective classes of the shareholders and/ or creditors of the Transferor Companies and the Transferee Company.

5.1.2 On the Scheme being agreed to by the requisite majorities of the classes of the shareholders of the Transferor Companies and the Transferee Company, whether at a meeting or otherwise, as prescribed under law and / or as directed by the NCLT or such other appropriate authority, the Transferor Companies and the Transferee Company shall apply to the NCLT for sanctioning the Scheme under Sections 230 to 232 of the Act, dissolution of the Transferor Companies without winding-up, and for such other orders, as the NCLT or such other appropriate authority may deem fit for carrying this Scheme into effect and for the dissolution of the Transferor Companies without winding up.

5.2 RATIFICATION OR VALIDITY OF EXISTING RESOLUTIONS

5.2.1 Upon coming into effect of this Scheme, the resolutions, if any, of Transferor Companies, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.

5.3 MODIFICATIONS/ AMENDMENTS TO THE SCHEME

5.3.1 Subject to approval of NCLT and the provisions of the SEBI Circular, the Transferor Companies and the Transferee Company, by the approval of their respective Board of Directors or any persons authorized by their respective Board of Directors may consent on behalf of all persons concerned, to any modifications or amendments of this Scheme or to any conditions which the NCLT and/ or any other authorities under law may deem fit to approve of or impose or which may otherwise be considered necessary or desirable




for settling any question or doubt or difficulty that may arise in carrying out this Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting this Scheme into effect, including but not limited to withdrawal of the Scheme before the Scheme is approved by the NCLT.

- 5.3.2 For the purpose of giving effect to this Scheme or to any modification, amendment or condition thereof, the Board of Directors of the Transferee Company are authorized to give such directions and/ or to take such step as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

5.4 **CONDITIONALITY OF THE SCHEME**

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

- 5.4.1 receipt of no-objection letters by the Transferee Company from the BSE in accordance with the Listing Regulations and the SEBI Circular in respect of the Scheme (prior to filing the Scheme with the NCLT);
- 5.4.2 Approval by the requisite majority of the shareholders and creditors of the Transferor Companies and of the shareholders and secured and unsecured creditors the Transferee Company, unless the meeting of the shareholders/creditors of either or all the companies is dispensed with by the order of the NCLT;
- 5.4.3 Approval of the public shareholders of the Transferee Company wherein the votes cast by the public shareholders of the Transferee Company in favour of the Scheme being more than the number of votes cast by the public shareholders of the Transferee Company against the Scheme as per the provisions of SEBI Circular;
- 5.4.4 Sanctions under the provisions of Section 230 and 232 of the Act and the necessary orders of NCLT under Section 232 of the Act being obtained and filed with the Registrar of Companies, Mumbai;
- 5.4.5 Any other sanction or approval of the Appropriate Authorities concerned, as may be considered necessary and appropriate by the respective Board of Directors of the Transferor Companies and the Transferee Company being obtained and granted in respect of any of the matters for which such sanction or approval is required.
- 5.4.6 The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.




5.5 EFFECT OF NON RECEIPT OF APPROVALS / SANCTIONS AND / OR REVOCATION OF THE SCHEME

- 5.5.1 In the event of necessary sanctions and approvals not being obtained and/ or complied with and/ or satisfied and /or this Scheme not being sanctioned by the NCLT and/ or orders not being passed by such date as may be mutually agreed upon by the respective Board of Directors of the Transferor Companies and the Transferee Company, this Scheme shall stand revoked, cancelled and be of no effect.
- 5.5.2 In the event of revocation under Clause 5.5.1 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Transferor Companies and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each of the Transferor Companies and the Transferee Company shall bear their respective costs unless otherwise mutually agreed.
- 5.5.3 The Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to withdraw this Scheme any time prior to the Effective Date.
- 5.5.4 Prior to the Effective Date, the Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if the Board of Directors of the Transferor Companies and the Transferee Company are of view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up orders with any authority could have an adverse implication(s) on all or either of the Transferor Companies or the Transferee Company.
- 5.5.5 If any part of this Scheme hereof is invalid, ruled illegal by any NCLT of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Companies and the Transferee Company that such part shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to either of the Transferor Companies and /or the Transferee Company, then in such case the Transferor Companies and /or the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Companies and the Transferee Company the benefits and obligations of the Scheme, including but not limited to such part.



5.6 SEQUENCING OF EVENTS

Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred and become effective and operative, only in the sequence and in the order mentioned hereunder:

- a) Amalgamation of Transferor Companies with the Transferee Company pursuant to the provisions of section 230 to 232 and other applicable provisions of the Act with effect from the Appointed Date in accordance with Part III of this Scheme;
- b) Transfer of the authorized share capital of the Transferor Companies to the Transferee Company in accordance with Clause 3.12 of Part III of this Scheme, and consequential increase in the authorized share capital of the Transferee Company;
- c) Dissolution of Transferor Companies without winding up in accordance with Clause 3.13 of Part III of this Scheme.
- d) Reduction of Equity Shares of the Transferee Company held by promoters in accordance with Part IV of this Scheme;

5.7 REMOVAL OF DIFFICULTIES

- 5.7.1 The Transferor Companies and the Transferee Company may, through mutual consent and acting through the respective Board of Directors, agree to take steps, as may be necessary, desirable or proper, to resolve all doubts, difficulties or questions, whether by reason of any orders of the NCLT or any directives or orders of any governmental authorities or otherwise rising out of, under or by the virtue of this Scheme in relation to the arrangement contemplated in this scheme and / or matters concerning or connected therewith.

5.8 COSTS, CHARGES AND EXPENSES

All costs, charges and expenses (including, but not limited to, any taxes and duties, registration charges but excluding stamp duty) of / payable by the Transferor Companies and the Transferee Company in relation to or in connection with the Scheme and incidental to the completion of the Merger in pursuance of this Scheme shall be borne and paid as mutually agreed between the Transferor Companies and the Transferee Company. The stamp duty charges shall be borne and paid by the Transferee Company.

