

SCHEME OF AMALGAMATION

of

ADANI CEMENTATION LIMITED

with

AMBUJA CEMENTS LIMITED

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

PREAMBLE

This Scheme (*as defined hereinafter*), *inter alia*, provides for amalgamation of the Transferor Company (*as defined hereinafter*) with the Transferee Company (*as defined hereinafter*), with effect from the Appointed Date (*as defined hereinafter*), pursuant to the provisions of Sections 230 – 232 and/or other applicable provisions of the Act (*as defined hereinafter*) and in accordance with Section 2(1B) of the Income Tax Act (*as defined hereinafter*).

INTRODUCTION

- (i) The Transferor Company (*as defined hereinafter*) was incorporated on December 6, 2016, as Adani Cementation Limited, a public limited company, with the Registrar of Companies, under the provisions of the Act. The Corporate Identification Number of the Transferor Company is U74999GJ2016PLC094589. The registered office of the Transferor Company is situated at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India.

The Transferor Company is engaged in the business of cement manufacturing and marketing various grades of cement. The Transferor Company is the lessee of limestone mine, with resources of about 275 million tonnes spread over an area of about 238 Hectares, at Lakhpat, Gujarat. The Transferor Company is also proposing to set up a grinding unit at Raigad, Maharashtra.

The Transferor Company is a wholly owned subsidiary of Adani Enterprises Limited (“AEL”). AEL alongwith its nominees hold the entire paid-up equity share capital of the Transferor Company. The equity shares of AEL are listed on the Stock Exchanges (*as defined hereinafter*). Adani Cement Industries Limited



(“ACIL”) is a wholly owned subsidiary of the Transferor Company. ACIL is also engaged in the business of cement manufacturing and marketing various grades of cement. AEL, the Transferor Company and ACIL are part of Adani Group of companies.

- (ii) The Transferee Company was incorporated on October 20, 1981, as Ambuja Cements Private Limited, a private limited company, with the Registrar of Companies, Gujarat, under the provisions of the Companies Act, 1956. Its name was changed to (a) Ambuja Cements Limited on March 19, 1983; (b) Gujarat Ambuja Cements Limited on May 19, 1983; and (c) Ambuja Cements Limited on April 5, 2007. The Corporate Identification Number of the Transferee Company is L26942GJ1981PLC004717. The registered office of the Transferee Company is situated at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad, Gujarat – 382 421, India.

The Transferee Company is among the leading cement companies in India, renowned for its hassle-free, home-building solutions with its unique sustainable development projects and environment-friendly practises since it started its operations.

The Transferee Company is part of Adani Group of companies. The equity shares of the Transferee Company are listed on the Stock Exchanges. The global depository receipts issued by the Transferee Company are listed on the Luxembourg Stock Exchange.

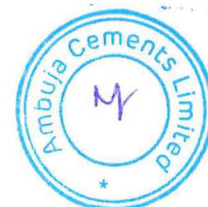
RATIONALE FOR THE SCHEME

1. The Scheme will enable the Transferee Company to absorb the business of the Transferor Company and enhance its manufacturing capacity to carry out the manufacturing operation more effectively and seamlessly.
2. The business of the Transferor Company will be carried on more efficiently and economically. Further, improved utilisation of the combined resources of both the aforesaid companies would result in lowering the overheads and elimination of duplication of work and reduction in compliance requirements.
3. The amalgamation will help the Transferee Company to quickly start the construction activity at various sites of the Transferor Company and that of the wholly owned subsidiary of the Transferor Company.
4. The amalgamation would lead to enhanced value addition for both the aforesaid companies and consequently the value for shareholders will increase.

PARTS OF THE SCHEME

The Scheme is divided into the following parts:

- (i) **Part I** deals with the definitions, interpretation, date of taking effect and share capital of the Transferor Company and the Transferee Company;



- (ii) **Part II** deals with the amalgamation of the Transferor Company into and with the Transferee Company in accordance with the provisions of Sections 230 – 232 of the Act; and
- (iii) **Part III** deals with the general terms and conditions that would be applicable to the Scheme.

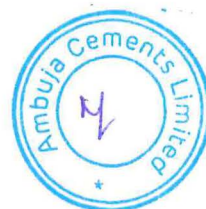
PART I

1. DEFINITIONS, INTERPRETATION, DATE OF TAKING EFFECT AND SHARE CAPITAL

1.1. Definitions

In this Scheme, the following words and expressions shall, unless the context requires otherwise, have the following meanings ascribed to them:

- 1.1.1. **“ACIL”** shall have the meaning set forth in the Introduction Clause.
- 1.1.2. **“AEL”** shall have the meaning set forth in the Introduction Clause.
- 1.1.3. **“Act”** means the Companies Act, 2013, the rules and regulations made thereunder and shall include any statutory modification or re-enactment thereof for the time being in force.
- 1.1.4. **“Appointed Date”** means April 1, 2024.
- 1.1.5. **“Board of Directors”** or **“Board”** in relation to the Companies means their respective board of directors, and unless it is repugnant to the context or otherwise, includes any committee of directors or any person authorised by the board of directors or by such committee of directors duly constituted and authorised for the purposes of matters pertaining to the arrangement as contemplated under this Scheme and/or any other matters relating thereto.
- 1.1.6. **“Companies”** means collectively, the Transferor Company and the Transferee Company.
- 1.1.7. **“Effective Date”** means the last of the dates on which all the approvals or events specified under Clause 3.3 of the Scheme are obtained or have occurred or the requirement of which have been waived. References in this Scheme to *“upon the coming into effect of this Scheme”* or *“upon this Scheme becoming effective”* or *“effectiveness of this Scheme”* or *“Scheme coming into effect”* shall mean the Effective Date.
- 1.1.8. **“Governmental Approval”** means any consent, approval, licence, permit, order, exemption, certificate, clearance or authorisation obtained or to be obtained from, or any registration, notification, declaration or filing made to or with, or to be made to or with, any Governmental Authority and shall include Required Governmental Filings.



- 1.1.9. **“Governmental Authority”** means any national, state, regional, city, municipal or local government or governmental, administrative, fiscal, judicial, or government-owned body or any of its ministries, departments, secretariats, agencies or any legislative body, commission, authority, court or tribunal or entity, and shall include the Stock Exchanges, SEBI and any relevant Tax authority and any other authority exercising jurisdiction over the Companies.
- 1.1.10. **“Income Tax Act”** means the Income Tax Act, 1961.
- 1.1.11. **“Intellectual Property Rights”** means all intellectual property rights, including with respect to all patents, patent applications, and trademarks, service marks, trade names, logos, corporate names, brand names, domain names, all copyrights, designs, and all registrations, applications and renewals in connection therewith, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information.
- 1.1.12. **“Law”** means all applicable (i) statutes, enactments, acts of legislature or parliament, laws, ordinances, code, directives, rules, regulations, bye-laws, listing agreements, notifications, guidelines or policies of any applicable jurisdiction; and (ii) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals required from Governmental Authorities of, or agreements with, any Governmental Authority or recognised Stock Exchanges.
- 1.1.13. **“New Equity Shares”** shall have the meaning set forth in Clause 2.3.1.
- 1.1.14. **“Record Date”** means the date to be fixed by the Board of Directors of the Transferee Company in consultation with the Board of Directors of the Transferor Company for the purpose of determining the equity shareholders of the Transferor Company, to whom the Transferee Company Shares will be allotted pursuant to this Scheme.
- 1.1.15. **“Required Governmental Filings”** means, collectively, the intimations/filings required to be made with the Stock Exchanges, Tribunal and the RoC, in connection with the present Scheme.
- 1.1.16. **“RoC”** means the Registrar of Companies, Gujarat.
- 1.1.17. **“Scheme”** means this scheme of amalgamation, subject to any modification(s) thereto as may be imposed by the Tribunal or any modification(s) or amendment sought by the Companies, as confirmed/approved by the Tribunal.
- 1.1.18. **“SEBI”** means the Securities and Exchange Board of India.
- 1.1.19. **“SEBI LODR”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and shall include any statutory modification, amendment, and re-enactment thereof for the time being in force or any act, regulations, rules, guidelines etc. that replaces such regulations.



- 1.1.20. **“SEBI Schemes Master Circular”** means Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, issued by SEBI regarding Scheme of Arrangement by Listed Entities and Relaxation of Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957.
- 1.1.21. **“Share Exchange Ratio”** shall have the meaning set forth in Clause 2.3.1.
- 1.1.22. **“Stock Exchanges”** means collectively the BSE Limited and the National Stock Exchange of India Limited.
- 1.1.23. **“Stock Exchanges Approval”** means the no-objection/no-adverse observation letter(s) obtained by the Transferee Company from the relevant Stock Exchanges in relation to the Scheme pursuant to Regulation 37 of the SEBI LODR and the SEBI Schemes Master Circular.
- 1.1.24. **“Tax” or “Taxes”** means any and all taxes (direct or indirect), surcharges, fees, levies, duties, tariffs, imposts and other charges of any kind, in each case in the nature of a tax, imposed by any Governmental Authority (whether payable directly or by withholding), including taxes based upon or measured by income, windfall or other profits, gross receipts, property, sales, severance, branch profits, customs duties, excise, central value added tax, central sales tax, sales tax, entry tax, tax deducted at source, tax collected at source, self-assessment tax, advance tax, service tax, goods and services tax, stamp duty, transfer tax, value-added tax, minimum alternate tax, banking cash transaction tax, equalisation levy, dividend distribution tax, buy-back tax, securities transaction tax, taxes withheld or paid, customs duty and registration fees (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto).
- 1.1.25. **“Transferee Company”** means Ambuja Cements Limited, a public company incorporated with limited liability under the provisions of the Companies Act, 1956, with its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 380 421, Gujarat, India.
- 1.1.26. **“Transferee Company Shares”** means the fully paid-up equity shares of the Transferee Company, each having a face value of Rs 2/- (Rupees Two only) and having one vote per equity share.
- 1.1.27. **“Transferor Company”** means Adani Cementation Limited, a public company incorporated with limited liability under the provisions of the Act with its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India.
- 1.1.28. **“Tribunal”** means the Hon’ble National Company Law Tribunal, Ahmedabad Bench, which has jurisdiction in relation to the Companies.
- 1.1.29. **“Undertaking”** means the Transferor Company and includes all the business, undertakings, assets, properties, investments and liabilities of the Transferor Company, of whatsoever nature and kind and wherever situated, on a going



concern basis and with continuity of business of the Transferor Company, which shall mean and include, without limitation:

- (a) Mining lease in respect of limestone mine, with resources of about 275 million tonnes spread over an area of about 238 Hectares, at Lakhpat, Gujarat;
- (b) any and all of its immovable properties (including work in progress) i.e. land together with the buildings and structures standing thereon (whether, leasehold, leave and licensed, right of way, tenancies or otherwise) including offices, guest house, warehouses, workshops, sheds, stores, storages including coal storage, silo, DG room, roads, laboratory, boundary walls, soil filling works, benefits of any rental agreement for any use of premises, share of any joint assets, etc., and all documents (including panchnamas, declarations, receipts, etc.) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interests in connection with the said immovable properties;
- (c) any and all of its assets (including work in progress), as are movable in nature, whether present or future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal (including plant and machinery, boilers, handling equipments, dumpers, excavators, shovel, surface miners, cranes, capital work in progress, electrical fittings, furniture, fixtures, appliances, accessories, power lines, office equipments, computers, communication facilities, installations, vehicles, fixtures, appliances, accessories, power lines, office equipments, computers, communication facilities, installations, vehicles, inventory and tools and plants), stock-in-trade, stock-in-transit, raw materials, finished goods, supplies, packaging items, actionable claims, current assets, earnest monies and receivables, sundry debtors, financial assets, outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Governmental Authority, semi-Government, local and other authorities and bodies, banks, customers and other persons, insurances, the benefits of any bank guarantees, performance guarantees and letters of credit.
- (d) any and all of its permits, licenses (including factory license), permissions, right of way, approvals, clearances, consents, benefits, registrations including import registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, subsidies, liberties and advantages (including consent/authorisation granted by Pollution Control Board, environmental clearance and other licenses/permits granted/issued/given by any Governmental Authority, statutory or regulatory or local or administrative bodies, Tax deferrals, Tax credits (including any credits arising from advance Tax, self-assessment Tax, other income Tax credits, withholding Tax credits, minimum alternate Tax credits, central value added tax credits, goods and services Tax credits, customs duty credit other indirect Tax credits and other Tax receivables), other claims under Tax Laws, privileges, incentives (including incentives in respect of income Tax, sales Tax, value added Tax,



service Tax, excise duty, customs duties and goods and services Tax), benefits, Tax holidays, Tax refunds (including those pending with any Tax authorities), all Tax assets both direct and indirect including refunds filed pending to be adjudicated and refunds to be filed, advantages, benefits and all other rights, privileges, powers and facilities of every kind and description of whatsoever nature and the benefits thereto;

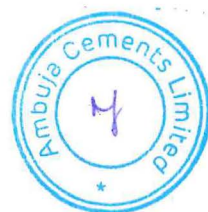
- (e) all contracts, agreements including power purchase agreement(s), coal linkages agreement(s), fuel supply agreement(s), consultancy agreements, purchase orders/service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, expression of interest, letters of intent, arrangements, understandings, engagements, deeds and instruments, including hire and purchase arrangements, lease/licence agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/manufacture of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder;
- (f) all intangible assets, including all Intellectual Property Rights and all goodwill attaching to such Intellectual Property Rights;
- (g) all rights to use and avail telephones, telexes, facsimile, e-mail, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company;
- (h) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), applications (including hardware, software, source codes, parameterization and scripts), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, brochures, pamphlets, quotations, sales and advertising materials, product registrations, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form;
- (i) all insurance policies of the Transferor Company;



- (j) all investments, including long term, short term, quoted, unquoted investments in different instruments, including shares, debentures, warrants and bonds, if any;
- (k) amounts claimed or to be claimed including the receivables by the Transferor Company from any Governmental Authority;
- (l) all application monies, advance monies, earnest monies and security and other deposits paid to any person, including any Governmental Authority, and payments against other entitlements;
- (m) any and all of its debts, borrowings and liabilities, present or future, whether secured or unsecured, all guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability);
- (n) all of its staff and employees, if any, and other obligations of whatsoever kind, including liabilities of the Transferor Company, with regard to its employees, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise; and
- (o) all legal proceedings, including quasi-judicial, arbitral and other administrative proceedings of whatsoever nature involving the Transferor Company.

1.2. Interpretation

- 1.2.1 All terms and words used in the Scheme but not specifically defined herein shall, unless contrary to the context thereof, have the meaning ascribed to them under the Act.
- 1.2.2 In the Scheme, unless the context otherwise requires:
 - (i) references to a statutory provision include any subordinate legislation made from time to time under that provision;
 - (ii) references to the singular include the plural and vice versa and references to any gender includes the other gender;
 - (iii) references to a statute or statutory provision include that statute or provision as from time to time modified or re-enacted or consolidated and (so far as liability thereunder may exist or can arise) shall include also any past statutory provision (as from time to time modified or re-enacted or



consolidated) which such provision has directly or indirectly replaced, provided that nothing in this Clause 1.2.2 shall operate to increase the liability of any Companies beyond that which would have existed had this Clause 1.2.2 been omitted;

- (iv) references to a document shall be a reference to that document as modified, amended, novated or replaced from time to time;
- (v) headings are for convenience only and shall be ignored in construing or interpreting any provision of this Scheme;
- (vi) the expression “this Clause” shall, unless followed by reference to a specific provision, be deemed to refer to the whole Clause (and not merely the sub-Clause, paragraph or other provision) in which the expression occurs;
- (vii) references to Clauses are to Clauses of this Scheme;
- (viii) references to any person shall include that person’s successors and permitted assigns or transferees;
- (ix) references to the words “include” or “including” shall be construed without limitation;
- (x) references to the words “hereof”, “herein” and “hereunder” and words of similar import shall refer to this Scheme as a whole and not to any particular provision of this Scheme; and
- (xi) where a wider construction is possible, the words “other” and “otherwise” shall not be construed *ejusdem generis* with any foregoing words.

1.3. Effective Date

The Scheme set out herein in its present form, or with modification(s), if any, made in accordance with the provisions of the Scheme and/or the directions of the Tribunal, shall be effective from the Appointed Date but shall be operative from the Effective Date.

1.4. Share Capital

- 1.4.1. The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on May 30, 2024 was as under:

SHARE CAPITAL	AMOUNT IN RS.
Authorised share capital	
50,000 equity shares of Rs.10/- each	5,00,000
Total	5,00,000



SHARE CAPITAL	AMOUNT IN RS.
Issued, subscribed and paid-up capital	
50,000 equity shares of Rs.10/- each fully paid-up	5,00,000
Total	5,00,000

- 1.4.2. The authorised, issued, subscribed and paid-up share capital of the Transferee Company as on May 30, 2024 was as under:

SHARE CAPITAL	AMOUNT IN RS.
Authorised share capital	
4,001,75,00,000 equity shares of Rs.2/- each	8,003,50,00,000
15,00,00,000 preference shares of Rs. 10/- each	150,00,00,000
Total	8153,50,00,000
Issued share capital	
246,34,49,998* equity shares of Rs.2/- each fully paid-up	492,68,99,996
Total	492,68,99,996
Subscribed and paid-up share capital	
246,31,23,478* equity shares of Rs.2/- each fully paid-up#	492,62,46,956
Total	492,62,46,956

* The issued and paid-up share capital includes 13,39,841 equity shares represented by 13,39,841 global depository receipts as on May 30, 2024.

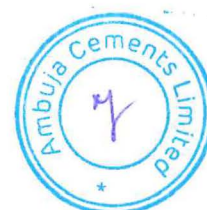
#The difference of 3,26,520 equity shares between issued, subscribed and paid-up capital is on account of past issuance of right shares which are in abeyance.

PART II

2. AMALGAMATION OF THE TRANSFEROR COMPANY INTO AND WITH THE TRANSFEE COMPANY

2.1 Transfer and vesting of the Transferor Company into and with the Transferee Company

- 2.1.1 Upon the coming into effect of this Scheme, and with effect from the Appointed Date, subject to the provisions of this Scheme, the Undertaking shall stand transferred to and vest in the Transferee Company, as a going concern, together with all its estates, properties, assets, contracts, employees, records, approvals, rights, claims, title and authorities, benefits, liabilities and interest therein, subject to existing charges thereon in favour of banks and financial institutions, if any, or otherwise, as the case may be, without any further act, instrument, deed, matter or thing being made, done or executed, so as to become, as and from the Appointed



Date, the estate, properties, assets, rights, claims, title and authorities, benefits, liabilities and interest of the Transferee Company by virtue of and in the manner provided in the Scheme pursuant to the sanction of the Scheme by the Tribunal and the provisions of sections 230 to 232 and other applicable provisions of the Act.

2.1.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon the coming into effect of this Scheme and with effect from the Appointed Date, in relation to the Undertaking:

- (i) All assets of the Transferor Company that are movable in nature or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by vesting and recordal of whatsoever nature, or otherwise capable of transfer by delivery of possession, shall, pursuant to this Scheme, stand vested in and/or be deemed to be vested in the Transferee Company and shall become the property of the Transferee Company without any further act, instrument or deed. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
- (ii) All other movable assets of the Transferor Company, including investments in shares and any other securities, sundry debtors, actionable claims, earnest monies, receivables, bills, credits, outstanding loans and advances, recoverable in cash or in kind or for value to be received, bank balances and deposits, with Governmental Authorities, customers and other persons, shall, stand transferred to, and vested in, the Transferee Company without any notice or other intimation to the debtors or obligors or any other person. The Transferee Company may (without being obliged to do so), if it so deems appropriate, give notice in such form as it deems fit and proper, to each such debtor or obligor or any other person, that pursuant to the sanction of the Scheme by the Tribunal, such debt, loan, advance, claim, bank balance, deposit or other asset be paid or made good or held on account of the Transferee Company as the person entitled thereto, to the end and intent that the right of the Transferor Company to recover or realise all such debts (including the debts payable by such debtor or obligor or any other person to the Transferor Company) stands transferred and assigned to the Transferee Company and that appropriate entries should be passed in the books of accounts of the relevant debtors or obligors or other persons to record such change.
- (iii) All lease and licence agreements, entered into by the Transferor Company with landlords, owners and lessors in connection with the use of the assets of the Undertaking of the Transferor Company, together with security deposits, shall stand automatically transferred in favour of the Transferee Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The Transferee Company shall continue to pay rent amounts/licence fees as provided for in such agreements and shall comply with the other terms,



conditions and covenants thereunder and shall also be entitled to refund of security deposits paid under such agreements by the Transferor Company.

- (iv) All immovable properties, estate, assets of the Transferor Company, including land together with the buildings and structures standing thereon and rights, claim, title, authorities and interests in immovable properties including accretions and appurtenances of the Undertaking of whatsoever nature and wherever situate of the Transferor Company, whether freehold or leasehold or otherwise, and all documents of title, rights and easements in relation thereto shall be vested in and/or be deemed to have been vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to such immovable properties and shall be liable to pay the ground rent and Taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of this Scheme by the Tribunal and upon the coming into effect of this Scheme in accordance with the terms hereof.
- (v) All estate, assets, rights, title, claims, 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, of whatsoever nature and wherever situate, which is 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 and properties of the Transferee Company.
- (vi) Until the owned property, leasehold property and related rights thereto, licence or right to use the immovable property, tenancy rights, liberties and special status are transferred, vested, recorded, effected and/or perfected in the record of the appropriate authorities in favour of the Transferee Company, the Transferee Company shall be deemed to be authorised to carry on business in the name and style of the Transferor Company under the relevant agreement, deed, lease and/or licence, as the case may be, and the Transferee Company shall keep a record and account of such transactions.
- (vii) For purposes of taking on record the name of the Transferee Company in the records of the Governmental Authorities in respect of transfer of immovable properties to the Transferee Company pursuant to this Scheme, the Board of Directors of the Transferor Company and the Transferee Company may approve the execution of such documents or deeds as may be necessary, including deed of assignment of lease or leave or licence (as the case may be) by the Transferor Company in favour of the Transferee Company.



- (viii) All liabilities, including all secured, if any, and unsecured debts, sundry creditors, contingent liabilities, duties, obligations and undertakings of the Transferor Company, of every kind, nature and description whatsoever and howsoever arising, raised, incurred or utilised for its business activities and operations, shall, pursuant to the sanction of the Scheme by the Tribunal and under the provisions of sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing being made, done or executed, 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 created in connection therewith, and such liabilities shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become, the liabilities, debts, duties and obligations of the Transferee Company on the same terms and conditions as was applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the liabilities 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 liabilities have arisen in order to give effect to the provisions of this clause.
- (ix) Where any of the debts, liabilities, duties and obligations incurred before the Appointed Date by the Transferor Company, deemed to have been transferred to the Transferee Company by virtue of this Scheme, has been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- (x) All electricity, gas, water and any other utility connections and tariff rates in respect thereof sanctioned by various public sector and private companies, boards, agencies and authorities to the Transferor Company, together with security deposits and all other advances paid, shall stand automatically transferred in favour of the Transferee Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The relevant electricity, gas, water and any other utility companies, boards, agencies and authorities shall issue invoices in the name of the Transferee Company with effect from the billing cycle commencing from the month immediately succeeding the month in which the Effective Date falls. The Transferee Company shall comply with the terms, conditions and covenants associated with the grant of such connection and shall also be entitled to refund of security deposits placed with such companies, boards, agencies and authorities by the Transferor Company.
- (xi) The Transferee Company shall be entitled to operate all bank accounts, realise all monies and complete and enforce all pending contracts and transactions in the name of the Transferor Company to the extent necessary until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under the Scheme is formally accepted and completed by the parties concerned. For avoidance of doubt, it is hereby clarified that all cheques and other negotiable instruments,



payment orders received and presented for encashment which is in the name of the Transferor Company after the Effective Date, shall be accepted by the bankers of the Transferee Company and credited to the accounts of the Transferee Company, if presented by the Transferee Company. Similarly, the banker of the Transferee Company shall honour all cheques issued by the Transferor Company for payment after the Effective Date.

Permits

- (xii) All Governmental Approvals and other consents, permissions, quotas, rights, authorisations, entitlements, no-objection certificates and licences, including those relating to tenancies, privileges, powers and facilities of every kind and description of whatsoever nature, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be entitled to use or which may be required to carry on the operations of the Transferor Company, and which are subsisting or in effect immediately prior to the Effective Date, shall be, and remain, in full force and effect in favour of or against the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party, a beneficiary or an obligee thereto and shall be appropriately mutated by the relevant Governmental Authorities in favour of the Transferee Company.
- (xiii) Without prejudice to the generality of the Clauses mentioned above, the assets of the Transferor Company shall also include all permits, licences, and any other licences, approvals, clearances, authorities, quotas, allocations granted to the Transferor Company, all municipal approvals, authorisations, statutory rights, permissions, registrations, certificates, consents, authorities (including for the operation of bank accounts), powers of attorneys (given by, issued to or executed in favour of the Transferor Company) and benefits of all contracts, allotments, consents, quotas, rights, easements, engagements, exemptions, entitlements, advantages of whatever nature and howsoever named, properties, movable, in possession or reversion, present or contingent of whatsoever nature and where-so-ever situated, liberties, ownerships rights and benefits, earnest moneys payable pertaining to the assets mentioned in the aforesaid Clauses, all other rights and benefits, licences, powers, privileges and facilities of every kind, nature and description whatsoever; right to use and avail of telephones, telexes, facsimile, connections, installations and other communication facilities and equipment, titles, all other utilities, benefits of all contracts, government contracts, memoranda of understanding, project service agreements, pre-qualification, applications, bids, tenders, letters of intent, concessions, non-possessionary contractual rights or any other contracts, development rights, allocated deferred Tax and all other interest in connection with or relation to the Transferor Company, shall stand transferred to the Transferee Company in accordance with the applicable Laws.



Contracts

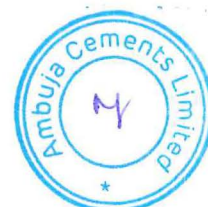
- (xiv) All contracts, deeds, bonds, agreements (including in connection with contracts for services), licences, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings, whether written or otherwise, and other instruments to which the Transferor Company is a party, or to the benefit of which the Transferor Company may be entitled, and which are subsisting or having effect immediately prior to the Effective Date, shall, without any further act, instrument or deed, continue in full force and effect against or in favour of, as the case may be, the Transferee Company, and may be enforced effectively by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor or obligee thereto or thereunder. The Transferee Company will, if required, enter into novation agreements in relation to such contracts, deeds, bonds, agreements and other instruments.
- (xv) All other agreements entered into by the Transferor Company in connection with the assets of the Undertaking of the Transferor Company shall stand automatically transferred in favour of the Transferee Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed.

Legal Proceedings

- (xvi) All legal proceedings, including quasi-judicial, arbitral and other administrative proceedings, of whatsoever nature by or against the Transferor Company pending on the Effective Date shall not abate or be discontinued or be prejudicially affected in any way by reason of the Scheme or by anything contained in the Scheme but shall be continued, prosecuted and enforced, as the case may be, by or against the Transferee Company, in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Transferor Company. The Transferee Company undertakes to have all legal or other proceedings specified in this Clause, initiated by or against the Transferor Company, transferred to its name and to have such proceedings continued, prosecuted and enforced by or against the Transferee Company, as the case may be. Following the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company.

Employees

- (xvii) With effect from the Effective Date, all the staff and employees of the Transferor Company, if any, who are in such employment as on the Effective Date shall become, and be deemed to have become, the staff and employees of the Transferee Company, and, subject to the provisions of the Scheme, on terms and conditions not less favourable than those on which they are engaged by the Transferor Company and without any



interruption of or break in service as a result of the transfer and vesting of the Undertaking of the Transferor Company to the Transferee Company. With regard to provident fund, gratuity, superannuation, leave encashment and any other special scheme or benefits, if any, created by the Transferor Company which exist immediately prior to the Effective Date, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, upon the coming into effect of this Scheme, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds maintained by the Transferor Company, in accordance with applicable Law. It is hereby clarified that upon the coming into effect of this Scheme, such benefits and schemes shall continue to be provided to the transferred employees and the service of all transferred employees of the Transferor Company for such purpose shall be treated as having been continuous.

- (xviii) With regard to any provident fund, gratuity fund, pension, superannuation fund or other special fund created or existing for the benefit of such employees of the Transferor Company, if any, it is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such schemes or funds shall become those of the Transferee Company. Upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. Any existing provident fund, gratuity fund and superannuation fund trusts created by the Transferor Company for its employees shall be continued for the benefit of such employees on the same terms and conditions until such time that they are transferred to the relevant funds of the Transferee Company. It is clarified that the services of all employees of the Transferor Company transferred to the Transferee Company will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds. Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Law, shall be entitled to: (i) retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company; or (ii) merge the pre-existing fund of the Transferor Company with other similar funds of the Transferee Company.
- (xix) The Transferee Company shall comply with any agreement(s)/settlement(s) entered into with labour unions (if any) or employees by the Transferor Company. The Transferee Company agrees that for the purpose of payment of any retrenchment compensation, gratuity and other termination benefits, the past services of employees with the Transferor Company, shall also be taken into account, and further agrees to pay such benefits when they become due.

Intellectual Property



- (xx) All Intellectual Property Rights of the Transferor Company shall stand transferred to and vested in the Transferee Company.

Inter se Transactions

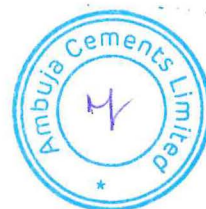
- (xxi) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all *inter-se* contracts between the Transferor Company and the Transferee Company, if any, shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Transferee Company. For the removal of doubt, it is clarified that in view of the above, there will be no accrual of income or expense on account of any transactions, including *inter-alia* any transactions in the nature of sale or transfer of any goods, materials or services, between the Transferor Company and the Transferee Company. For avoidance of doubt, it is hereby clarified that there will be no accrual of interest or other charges in respect of any *inter se* loans, deposits or balances between the Transferor Company and the Transferee Company, if any.

Borrowing Limits; Corporate Approvals

- (xxii) Upon the coming into effect of this Scheme and with effect from the Appointed Date, the borrowing and investment limits of the Transferee Company under the Act shall be deemed without any further act or deed to have been enhanced by the borrowing and investment limits of the Transferor Company, such limits being incremental to the existing limits of the Transferee Company.
- (xxiii) Any corporate approvals obtained by the Transferor Company, whether for purposes of compliance or otherwise, shall stand transferred to the Transferee Company and such corporate approvals and compliance shall be deemed to have been obtained and complied with by the Transferee Company.

Taxes

- (xxiv) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all Taxes payable by, or refundable to, the Transferor Company, including any refunds, claims or credits (including credits for income Tax, withholding Tax, advance Tax, self-assessment Tax, minimum alternate Tax, central value added Tax credit, goods and services Tax credits, other indirect Tax credits and other Tax receivables) shall be treated as the Tax liability, refunds, claims, or credits, as the case may be, of the Transferee Company, and any Tax incentives, benefits (including claims for unabsorbed Tax losses and unabsorbed Tax depreciation), advantages, privileges, exemptions, credits, Tax holidays, remissions or reductions, which would have been available to the Transferor Company, shall be available to the Transferee Company, and following the Effective Date, the Transferee Company shall be entitled to



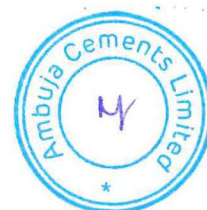
initiate, raise, add or modify any claims in relation to such Taxes on behalf of the Transferor Company.

Creditors

(xxv) Upon the coming into effect of this Scheme and with effect from the Appointed Date, the secured creditors of the Transferor Company and/or other holders of security over the properties of the Transferor Company, if any, shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Transferor Company, as existing immediately prior to the amalgamation of the Transferor Company with the Transferee Company and the secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company, if any, shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Transferee Company, as existing immediately prior to the amalgamation of the Transferor Company with the Transferee Company. It is hereby clarified that pursuant to the amalgamation of the Transferor Company with the Transferee Company, (a) the secured creditors of the Transferor Company and/or other holders of security over the properties of the Transferor Company, if any, shall not be entitled to any additional security over the properties, assets, rights, benefits and interest of the Transferee Company and therefore, such assets which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company; and (b) the secured creditors of the Transferee Company and/or other holders of security over the properties of the Transferee Company, if any, shall not be entitled to any additional security over the properties, assets, rights, benefits and interest of the Transferor Company and therefore, such assets which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of the Transferee Company.

2.1.3 Without prejudice to the provisions of the foregoing clauses and upon the effectiveness of this Scheme, the Transferee Company and the Transferor Company shall execute any instrument and/or do all acts or deeds as may be required including but not limited execution and registration of transfer deed for mining lease pursuant to Rule 23 of the Mineral Concession Rules, 2016 or assignment under the Mine Development and Production Agreement.

2.1.4 The Transferor Company and/or the Transferee Company, as the case may be, shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under Law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Transferor Company. It is hereby clarified that if the consent of any third party or Governmental Authority, if any, is required to give effect to the provisions of this Clause, the said third party or Governmental Authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the



sanction of this Scheme by the Tribunal, and upon this Scheme becoming effective in accordance with the provisions of the Act and with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

2.1.5 The Transferee Company shall, 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 acts, formalities or compliances referred to above as may be required in this regard.

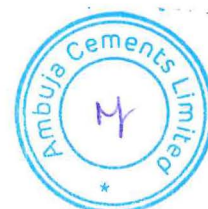
2.1.6 Without prejudice to the other provisions of the Scheme and notwithstanding the vesting of the Transferor Company into the Transferee Company by virtue of Part II of the Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under Law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement in relation to which the Transferor Company has been a party, including any filings with the regulatory authorities in order to give formal effect to the above provisions and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company. The Transferee Company will, if necessary, also be a party to the above.

2.2 Business and property in trust and conduct of the business for the Transferee Company

2.2.1 With effect from the Appointed Date and up to and including the Effective Date, the Transferor Company shall carry on its business with reasonable diligence and except in the ordinary course of business, the Transferor Company shall not, without the prior written consent of the Board of Directors of the Transferee Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage, encumber or otherwise deal with or dispose of any of the assets of the Undertaking of the Transferor Company or any part thereof.

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

- (a) the Transferor Company shall carry on and be deemed to have carried on its 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, investments and strategic decisions for and on account of, and in trust for, the Transferee Company;
- (b) all profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by it (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;
- (c) all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the close of business on the date



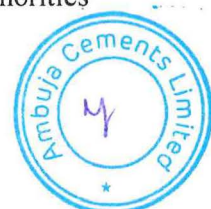
preceding the Appointed Date, whether or not provided in the books of the Transferor Company which arise or accrue to the Transferor Company on or after the Appointed Date, shall be deemed to be of the Transferee Company;

- (d) 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
- (e) all Taxes (including, without limitation, income Tax, minimum alternate tax, tax deducted at source, sales Tax, goods and services tax, excise duty, customs duty, service Tax, VAT, entry Tax, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the Undertaking of the Transferor Company 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, minimum alternate tax, tax deducted at source, sales Tax, goods and services tax, excise duty, customs duty, service Tax, VAT, entry Tax, etc.), whether by way of deduction at source, advance Tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Undertaking 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.

2.3 Consideration

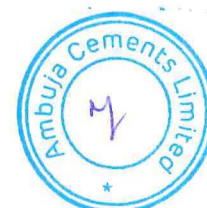
2.3.1 Upon the coming into effect of the Scheme and with effect from the Appointed Date, and in consideration of the transfer and vesting of the Undertaking of the Transferor Company in the Transferee Company, the Transferee Company shall, without any further application, act or deed, issue and allot to the equity shareholder(s) of the Transferor Company whose names are recorded in the register of members as a member of the Transferor Company on the Record Date [174] (one hundred seventy four) Transferee Company Shares, credited as fully paid-up, for every [1] (one) equity shares of the face value of Rs. 10/- (Rupees Ten only) each fully paid-up held by such member in the Transferor Company ("**Share Exchange Ratio**"). The Transferee Company Shares to be issued by the Transferee Company to the shareholders of Transferor Company in accordance with this Clause 2.3.1 shall be hereinafter referred to as "**New Equity Shares**".

2.3.2 The New Equity Shares of the Transferee Company allotted and issued in terms of Clause 2.3.1 above, shall be listed and/or admitted to trading on the Stock Exchanges, where the equity shares of the Transferee Company are listed and/or admitted to trading as on the Effective Date. The New Equity Shares of the Transferee Company shall, however, be listed 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. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with applicable Law for complying with the formalities of the Stock Exchanges.

- 2.3.3 Upon the Scheme becoming effective and upon the New Equity Shares of the Transferee Company being allotted and issued by it to the shareholder(s) of the Transferor Company whose names appear on the register of members as a member of the Transferor Company on the Record Date or whose names appear as the beneficial owners of the equity shares of the Transferor Company in the records of the depositories/register of members, as the case may be, as on the Record Date, the equity shares of the Transferor Company, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date.
- 2.3.4 The New Equity Shares of the Transferee Company to be allotted and issued to the shareholders of the Transferor Company as provided in Clause 2.3.1 above shall be subject to the provisions of the memorandum and articles of association of the Transferee Company and shall rank pari-pasu in all respects with the Transferee Company Shares after the Effective Date including in respect of dividend, if any, that may be declared by the Transferee Company on or after the Effective Date.
- 2.3.5 The issue and allotment of the New Equity Shares by the Transferee Company to the equity shareholders of the Transferor Company 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 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.
- 2.3.6 In the event that the aggregate number of the New Equity Shares to be issued by the Transferee Company to the shareholder(s) of the Transferor Company results in a fraction of the New Equity Shares, the Board of Directors of the Transferee Company shall round-off such fraction to the nearest whole integer, and thereupon shall issue and allot the New Equity Shares, to the shareholder(s) of the Transferor Company as AEL is the only shareholder of the Transferor Company.
- 2.3.7 The New Equity Shares issued to the equity shareholder(s) of the Transferor Company by the Transferee Company shall be issued in dematerialized form by the Transferee Company.
- 2.3.8 The New Equity Shares to be issued by the Transferee Company pursuant to Clause 2.3.1 above in respect of such equity shares of the Transferor Company as are subject to lock-in pursuant to applicable Law, if applicable, shall remain locked-in as required under the applicable Law.
- 2.3.9 The New Equity Shares to be issued by the Transferee Company pursuant to Clause 2.3.1 above in respect of such equity shares of the Transferor Company, the allotment or transfer of which is held in abeyance under the applicable Law shall,



pending allotment or settlement of dispute by order of the appropriate court or otherwise, also be kept in abeyance in like manner by the Transferee Company.

- 2.3.10 The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with Law for complying with the formalities of the concerned Stock Exchanges.
- 2.3.11 The New Equity Shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing/trading permission is given by the Stock Exchanges, as the case may be.
- 2.3.12 In the event, the Transferor Company or the Transferee Company restructures their equity share capital by way of share split/consolidation/issue of bonus shares during the pendency of the Scheme, the Share Exchange Ratio, per Clause 2.3.1 above shall be adjusted accordingly, to consider the effect of any such corporate actions.

2.4 Accounting Treatment

Accounting Treatment in the books of the Transferee Company

- 2.4.1 The assets acquired and liabilities assumed would be measured using an allocation of the fair value of consideration transferred based upon relative fair values in the books of the Transferee company. As a result, no goodwill, or capital reserves.
- 2.4.2 To the extent that there are inter-company balances, advances, and other obligations as between the Transferor Company and the Transferee Company the same shall come to an end and corresponding effect shall be given in the books of accounts of the Transferee Company.
- 2.4.3 The Transferee company shall credit to its share capital account, the aggregate face value of the equity shares issued by it pursuant to this Scheme as per clause 2.3 above and any amount over and above face value will be credited to share premium account of the Transferee Company.
- 2.4.4 For accounting purpose, the Scheme will be given effect from the date when all substantial conditions are completed.
- 2.4.5 Any matter not dealt with in this Scheme or herein above shall be dealt with in accordance with the applicable accounting standards prescribed.
- 2.4.6 Upon the Scheme becoming effective, the Transferee Company shall account for amalgamation in accordance with the principles laid down in Accounting Standards (IND AS) as prescribed under The Companies (Indian Accounting Standards) Rules, 2015.

Accounting Treatment in the books of the Transferor Company



- 2.4.7 As the Transferor Company shall stand dissolved without being wound up, upon the Scheme becoming effective, hence no accounting treatment is being prescribed under this Scheme in the books of the Transferor Company.

2.5 Dissolution of the Transferor Company

- 2.5.1 Upon the coming into effect of this Scheme, the Transferor Company shall stand dissolved without being wound up, without any further act or deed.

2.6 Reorganisation of the Authorised Share Capital of the Transferor Company

- 2.6.1 Upon the Scheme becoming effective and with effect from the Appointed Date, and as an integral part of the Scheme, the authorised share capital of the Transferor Company shall be reclassified/reorganised such that each equity share of Rs. 10/- (Rupees Ten only) of the Transferor Company shall stand reclassified/reorganised as 5 (Five) equity share of Rs. 2/- (Rupees Two only) each.

- 2.6.2 It is clarified that the approval of the equity shareholder(s) of the Transferor Company to this Scheme shall be deemed to be their consent/approval to the reclassification of the authorised share capital envisaged under this Clause of the Scheme, as required under Sections 13, 61 and other applicable provisions of the Act.

2.7 Consolidation of the Authorised Share Capital of the Transferor Company with the Authorised Share Capital of the Transferee Company

- 2.7.1 Upon the Scheme becoming effective and with effect from the Appointed Date, and pursuant to the reclassification and reorganization of the resultant authorized share capital of the Transferor Company as set out in Clause 2.6 above, the resultant authorized share capital of the Transferor Company shall stand transferred to and be amalgamated/combined with the authorized share capital of the Transferee Company. The fees or stamp duty, if any, paid by the Transferor Company on its authorized share capital shall be deemed to have been so paid by the Transferee Company on the combined authorized share capital, and the Transferee Company shall not be required to pay any fee/stamp duty for the increase of the authorized share capital. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the RoC and no separate procedure or instrument or deed shall be required to be followed under the Act.

Clause V. of the memorandum of association of the Transferee Company shall, upon this Scheme becoming effective, and without any further act, instrument or deed, be replaced by the following clause:

“The Authorised Share Capital of the Company is Rs. 8153,55,00,000 (Rupees Eight Thousand One Hundred Fifty Three Crores and Fifty Five Lakhs only) divided into 4001,77,50,000 (Four Thousand One Crore and Seventy Seven Lakhs and Fifty Thousand) Equity Shares of Rs. 2/- (Rupees Two) each and 15,00,00,000 (Fifteen Crores) Preference Shares of Rs. 10/- (Rupees Ten) each, with power to increase and reduce the capital of the Company and to divide the shares in the



capital for the time being, into several classes and to attach thereto such preferential, deferred, qualified, guaranteed or special rights, privileges or conditions as may be determined by or accordance with the Articles of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions, in such manner as may be determined by the Act or the Articles of the Company for the time being.”

- 2.7.2 For the avoidance of doubt, it is clarified that, in case, the authorised share capital of the Transferee Company undergoes any change, either as a consequence of any corporate actions or otherwise, then Clause 2.7.1 shall automatically stand modified/adjusted to take into account the effect of such change.
- 2.7.3 The approval of this Scheme by the equity shareholders of the Transferee Company under sections 230 to 232 of the Act, shall be deemed to have been an approval under section 13, section 61 and 64 or any other applicable provisions under the Act and no further resolution(s) would be required to be separately passed in this regard.

2.8 Matters Relating to Tax in respect of the Undertaking

- 2.8.1 The provisions of Part II of this Scheme are intended to comply with the conditions relating to “Amalgamation” as specified under section 2(1B) of the Income Tax Act. If, at a later date, any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of section 2(1B) of the Income Tax Act, including as a result of an amendment of Law or the enactment of a new legislation or for any other reason whatsoever, the provisions of section 2(1B) of the Income Tax Act, or a corresponding provision of any amended or newly enacted Law, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income Tax Act or a corresponding provision of any amended or newly enacted Law. Such modification(s) will, however, not affect the other parts of the Scheme. The power to make such modification(s), if necessary, shall vest with the Boards of Directors of the Transferor Company and the Transferee Company, which power shall be exercised reasonably in the best interest of the Transferor Company, the Transferee Company and their respective shareholders and creditors in accordance with Clause 3.2. In addition, upon the Scheme becoming effective:
- (i) to the extent required, the Transferor Company and the Transferee Company are permitted to revise and file their respective income Tax returns, withholding Tax returns (including Tax deducted at source certificates and Tax collected at source certificates), sales Tax, value added Tax, service Tax, central sales Tax, entry Tax, goods and services Tax returns and any other Tax returns, even if the time limits prescribed under the Income Tax Act have lapsed; and
 - (ii) the Transferee Company shall be entitled to: (a) claim deduction with respect to items such as provisions, expenses, etc. disallowed in earlier years in the hands of the Transferor Company, which may be allowable in accordance with the provisions of the Income Tax Act on or after the Appointed Date; and (b) exclude items such as provisions, reversals, etc. for which no



deduction or Tax benefit has been claimed by the Transferor Company prior to the Appointed Date.

- 2.8.2 Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, all accumulated Tax loss and unabsorbed Tax depreciation of the Transferor Company as on the Appointed Date, shall, for all purposes, be treated as accumulated Tax loss and unabsorbed Tax depreciation of the Transferee Company. It is further clarified that any business loss and unabsorbed depreciation of the Transferor Company as specified in its books of account shall be included as business loss and unabsorbed depreciation of the Transferee Company for the purposes of computation of minimum alternate Tax.
- 2.8.3 Upon the Scheme becoming effective, the Transferee Company shall be entitled to claim refunds (including refunds or claims pending with the Tax authorities) or credits, with respect to Taxes paid by, for, or on behalf of, the Transferor Company under applicable Laws, including income Tax, minimum alternate tax, tax deducted at source, sales Tax, value added Tax, service Tax, entry Tax, custom duty, goods and services Tax or any other Tax, whether or not arising due to an inter-se transactions between the Transferor Company and the Transferee Company, even if the prescribed time limits for claiming such refunds or credits have lapsed.
- 2.8.4 Upon the Scheme becoming effective and with effect from the Appointed Date, all Taxes, cess, duties and liabilities (direct and indirect), payable by or on behalf of the Transferor Company, including any taxes paid and taxes deducted at source and deposited by the Transferee Company on inter se transactions between the Appointed Date and Effective Date, shall, for all purposes, be treated as Taxes, cess, duties and liabilities, as the case may be, of the Transferee Company.
- 2.8.5 Upon the Scheme becoming effective and with effect from the Appointed Date, all unavailed credits and exemptions and other statutory benefits, including in respect of income Tax, central value added Tax, customs, value added Tax, sales Tax, service Tax, entry Tax and goods and services Tax to which the Transferor Company is entitled shall be available to and vest in the Transferee Company, without any further act or deed.
- 2.8.6 Any Tax liabilities under the Income Tax Act or other applicable Tax Laws or regulations allocable to the Transferor Company, whether or not provided for or covered by any Tax provisions in the accounts of the Transferor Company made as on the date immediately preceding the Appointed Date, shall be transferred to the Transferee Company. Any surplus in the provision for Taxation or duties or levies in the accounts of the Transferor Company, including advance Tax and Tax deducted at source as on the close of business in India on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.
- 2.8.7 All Tax assessment proceedings and appeals of whatsoever nature by or against the Transferor Company, pending or arising as at the Effective Date, shall be continued and/or 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 neither abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in this Scheme.

- 2.8.8 Any refund under the Income Tax Act or any other Tax Laws related to or due to the Transferor Company, including those for which no credit is taken as on the date immediately preceding the Effective Date, shall also belong to and be received by the Transferee Company.
- 2.8.9 Without prejudice to the generality of the above, all benefits, incentives, claims, losses, credits (including income Tax, service Tax, excise duty, goods and services Tax and applicable state value added Tax) to which the Transferor Company is entitled to in terms of applicable Tax Laws, shall be available to and vest in the Transferee Company from the Effective Date.
- 2.9 Saving of concluded transactions**
- 2.9.1 The transfer of assets, properties and liabilities and the continuance of proceedings by or against the Transferor Company under Clause 2.1.2 above shall not affect any transaction or proceedings already concluded by the Transferor Company on and after the Appointed Date until the Effective Date, to the end and intent that the Transferee Company accept and adopt all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

PART III

3. GENERAL TERMS AND CONDITIONS

3.1. Applications to the Tribunal

- 3.1.1. The Companies shall make necessary applications and/or petitions pursuant to sections 230 to 232 of the Act and other applicable provisions of the Act to the Tribunal for approval of the Scheme and all matters ancillary or incidental thereto, as may be necessary to give effect to the terms of the Scheme.
- 3.1.2. The Companies shall be entitled, pending the effectiveness of the Scheme, to apply to any Governmental Authority, if required, under any Law for such consents and approvals, which the respective Companies may require to effect the transactions contemplated under the Scheme, in any case subject to the terms as may be mutually agreed between the relevant Companies.

3.2. Modification or Amendments to the Scheme

- 3.2.1. Subject to Clause 3.2.4., the Companies may mutually, by their respective Boards of Directors or such other person or persons, as the respective Boards of Directors, may authorize, may make and/or consent to (i) any modifications/amendments to the Scheme (including but not limited to the terms and conditions thereof); or (ii)



to any conditions or limitations that the Tribunal or any other Governmental Authority may deem fit to direct or impose; or (iii) modification/amendment which may otherwise be considered necessary, desirable or appropriate by them. No further approval of the shareholders or creditors of any of the Companies shall be necessary for giving effect to the provisions of this Clause.

- 3.2.2. The Companies, by their respective Boards of Directors or such other person or persons, as the respective Boards of Directors may authorize (including any committee or sub-committee thereof), shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any authorities or otherwise howsoever arising out of, or under, or by virtue of the Scheme and/or any matter concerned or connected therewith.
- 3.2.3. For the purpose of giving effect to this Scheme or to any modifications or amendments or additions thereto, the respective Board of Directors of the Companies may jointly give and are hereby jointly authorised to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all the Companies, in the same manner as if the same were specifically incorporated in this Scheme.
- 3.2.4. Notwithstanding anything stated in Clauses 3.2.1., 3.2.2. and 3.2.3. hereinabove, no amendments or changes to the Scheme shall be carried out or be permissible unless and until the same are approved by the Tribunal before which the Companies have filed the petition for sanctioning the Scheme.

3.3. **Scheme conditional upon approvals/sanctions**

Unless otherwise decided (or waived) by the Companies, the effectiveness of the Scheme is and shall be conditional upon and subject to the fulfilment or waiver (to the extent permitted under applicable Law) of the following conditions precedent:

- (a) the requisite Stock Exchanges Approval having been obtained by the Transferee Company in relation to the Scheme;
- (b) the Scheme being approved by the requisite majority of public shareholders of the Transferee Company (by way of e-voting) as required under the SEBI Schemes Master Circular;
- (c) the Scheme being approved by the respective requisite majorities of the classes of members and creditors (where applicable) of the Companies in accordance with the Act or dispensation having been received from the Tribunal in relation to obtaining such approval from the shareholders and/or creditors or any Law permitting the respective Companies not to convene the meetings of its shareholders and/or creditors;
- (d) the Scheme being confirmed/approved by the Tribunal, either on terms as originally approved by the Companies, or subject to such modifications



approved by the Tribunal, which shall be in form and substance acceptable to the Companies, each acting reasonably and in good faith;

- (e) the Scheme being approved by the requisite majority of concerned shareholders of AEL in accordance with Regulation 23 of SEBI LODR; and
- (f) certified copies of the confirmation orders of the Tribunal confirming/sanctioning the Scheme being filed with the RoC by the respective Companies.

3.4. Dividends

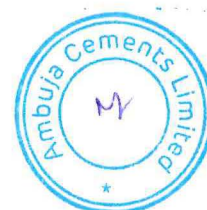
- 3.4.1. The Companies shall be entitled to declare and pay dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date, but only in the ordinary course of business.
- 3.4.2. It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the respective Companies 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 Companies, and if applicable in accordance with the provisions of the Act, be subject to the approval of the shareholders of the respective Companies.

3.5. Interpretation

- 3.5.1. If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any provisions of Law at a later date, whether as a result of any amendment of Law or any judicial or executive interpretation or for any other reason whatsoever, the provisions of the Law shall prevail. Subject to obtaining the sanction of the Tribunal, if necessary, this Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will, however, not affect other parts of this Scheme. Notwithstanding the other provisions of this Scheme, the power to make such amendments/modifications as may become necessary, whether before or after the Effective Date, shall, subject to obtaining the sanction of the Tribunal if necessary, vest with the Board of Directors of the respective Companies, which power shall be exercised reasonably in the best interests of the Companies and their respective shareholders.

3.6. Severability

- 3.6.1. If any part of this Scheme is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future Law, then it is the intention of the Companies 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 the Companies, then in such case the Companies shall attempt to bring about a modification in the Scheme, as will best preserve for the Companies the benefits and obligations of the Scheme, including but not limited to such part.



- 3.6.2. If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the mutual agreement of the Companies, affect the validity or implementation of the other parts and/or provisions of this Scheme.

3.7. No cause of action

- 3.7.1. No third party claiming to have acted or changed its position in anticipation of this Scheme taking effect, shall get any cause of action against the respective Companies or their respective directors or officers, if the Scheme does not take effect or is withdrawn, amended or modified for any reason whatsoever.

3.8. Effect of Non-Receipt of Approvals; Withdrawal

- 3.8.1. In the event of any of the said confirmations/sanctions and approvals not being obtained and/or the Scheme not being confirmed/sanctioned by the Tribunal, the Scheme shall become null and void and the Companies shall bear and pay their respective costs, charges and expenses for and/or in connection with the Scheme.
- 3.8.2. The Companies, acting through their respective Board of Directors, may mutually agree in writing to withdraw this Scheme from the Tribunal.

3.9. Costs and Expenses

- 3.9.1. All costs, duties, levies, fees, charges and expenses payable by the Companies in relation to or in connection with the Scheme and/or incidental to the completion of the Scheme shall be borne and paid by the Transferee Company.

