SCHEME OF AMALGAMATION

OF

SANDESH DIGITAL PRIVATE LIMITED (‘Transferor Company’)

WITH

THE SANDESH LIMITED (‘Transferee Company’)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

PREAMBLE:-

This Scheme of Amalgamation (“Scheme”) is presented under the provisions of Section 230 read with Section 232 of the Companies Act, 2013 (as defined hereinafter) for amalgamation of the Transferor Company (as defined hereinafter) into and with the Transferee Company (as defined hereinafter) pursuant to the relevant provisions of the Companies Act, 2013 and the relevant provisions of this Scheme. The amalgamation of Transferor Company with the Transferee Company pursuant to this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of Section 2(6) of the Income-tax Act, 2025 (corresponding to erstwhile Section 2(1B) of the Income-tax Act, 1961). In addition, this Scheme also provides for various other matters consequential or otherwise integrally connected herewith

BACKGROUND OF THE COMPANIES:-

<u>Transferor Company:</u>

Sandesh Digital Private Limited (‘SDPL’ or ‘Transferor Company’) having CIN - U22100GJ2015PTC083461 is a company incorporated under the Companies Act, 2013 having its registered office at Sandesh Bhavan, Lad Society Road, Bodakdev, Ahmedabad, Gujarat, India, 380054. SDPL is currently engaged in the business of, digital media, providing online content, broadcasting of News and advertising, on its mobile App and Website and is a wholly owned subsidiary of The Sandesh Limited.

Transferee Company:

The Sandesh Limited ('TSL' or 'Transferee Company')**,** having CIN - L22121GJ1943PLC000183 is a Company incorporated under the Indian Companies Act, VII of 1913, and subsisting under the provisions of the Companies Act, 2013, and having its registered office at Sandesh Bhavan, Lad Society Road, B/H Vastrapur Gam, P.O. Bodakdev, Ahmedabad, Gujarat, India, 380054. The Company belongs to the Regional Print Media Industry and is a publisher of "SANDESH" a premier Gujarati daily newspaper in Gujarat Region. It carries on the business of editing, printing and publishing newspapers, periodicals and also runs Gujarati news channel "Sandesh News ", and out of Home Business under name of "OOH". TSL's equity shares are listed on Bombay Stock Exchange ('BSE') Limited and National Stock Exchange of India ('NSE') Limited.

RATIONALE OF THE SCHEME:-

The principal advantages and benefits of the proposed Scheme are as follows:

a) The Transferor Company is a wholly owned subsidiary of the Transferee Company and the management of both the companies are one and the same. In order to optimise the utilization of resources, it is proposed to amalgamate the Transferor Company with the Transferee Company.
b) Considerable synergies of operations would be achieved, resulting in economies of scale, effective coordination and better control over the activities, and reduction of overheads and administrative expenses. This would allow optimum utilisation of equipment and other resources, ultimately resulting in higher profitability for the Transferee Company.
c) The benefits of combined resources, assets and cash flows would enhance capability of the Transferee company to face competition effectively.
d) Pooling of financial resources and unfettered access to cash flows generated by the combined business would enable the Transferee Company to deploy funds in organic and inorganic growth opportunities and in capital expenditure.
e) Cost savings are expected from more focused operational efforts, rationalisation, standardisation of business processes, elimination of duplication of work/ functions and rationalisation of administrative expenses.
f) The Scheme shall be beneficial to and in the best interest of the shareholders, creditors and employees of the Transferor Company and Transferee Company, public at large and all concerned.

In view of the above advantages and benefits, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme for the transfer and vesting of the entire business and undertaking of the Transferor Company with and into the Transferee Company pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Act.

PARTS OF THE SCHEME:-

The Scheme is divided into following parts:

i **Part A** – deals with Definitions and Share Capital;

ii **Part B** – deals with the merger of the Transferor Company with the Transferee Company;

iii **Part C** - deals with General Terms and Conditions.

PART A
DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

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

1.1 **"Act" or "the Act"** means Companies Act, 2013 and the rules and regulations made thereunder as the case may be, and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force.

1.2 **"Appointed Date"** for the purpose of this Scheme means April 01, 2026 or such other date as may be approved by the National Company Law Tribunal at Ahmedabad, Gujarat or any other competent authority.

1.3 **"Applicable Law"** or **"Law"** means any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Parties; (b) approvals; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties as may be in force from time to time;

1.4 **"Appropriate Authority"** means the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunal, central bank, commission or other authority thereof; any public international organization or supranational body and its institutions, departments, agencies and instrumentalities; and any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing, exporting or other governmental or quasi-governmental authority;

1.5 **"Board of Directors"** or **"Board"** means the Board of Directors of the Transferor Company and/or the Transferee Company, and shall include a duly constituted Committee thereof.

1.6 **"Business Undertaking"** or **"Undertaking"** shall mean and include the whole of the undertakings/assets, investments etc. if any, of the Transferor Company, as a going concern, including all secured and unsecured debts, liabilities, Direct Taxes paid, or refund of Direct Taxes Due or Receivable in respect of any appeals, Benefits of Set off & Carry Forward of Unabsorbed Losses, Unabsorbed Depreciation, Carry Forward of Capital Gains etc. (Whether as per Books or Income Tax), duties and obligations and all the assets and properties, whether movable or immovable, real or personal, in possession or revision, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to Land and Building, all fixed and movable plant and machinery, vehicles, fixed assets, work in progress, current assets, investments, reserves, provisions, funds, quota rights, licenses, registrations, copyrights, patents, trade names, trademarks and other industrial rights and licenses in respect thereof, leases, tenancy rights, hire purchase and lease arrangements, computers, office equipment, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, benefits of agreements, contracts and arrangements, powers, beneficial rights in any assets, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the right, title, interest, goodwill, benefit and advantage, deposits, reserves, provisions, advances, receivables, funds, bank balances, accounts and all other rights, claims and powers, of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company, as on the Appointed Date and all earnest money and/or deposits including security deposits paid by the Transferor Company as on the Appointed Date.

1.7 **"Effective Date"** means the date on which certified copy of the order sanctioning the Scheme passed by the National Company Law Tribunal at Ahmedabad, Gujarat is filed by the Transferor Company and the Transferee Company with the Registrar of Companies, Ahmedabad, Gujarat.

1.8 **"Person"** means an individual, a partnership, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture;

1.9 **“Encumbrance”** means (a) any charge, lien (statutory or other), or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (b) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, transfer, receipt of income or exercise; or (c) any hypothecation, title retention, restriction, power of sale or other preferential arrangement; or (d) any agreement to create any of the above; and the term **“Encumber”** shall be construed accordingly;

1.10 **“Employees”** means all the permanent employees of the Transferor Company who are on its pay-roll as on the Effective Date.

1.11 **“Government”** means any applicable Central, State or Local Government, Legislative Body, Regulatory or Administrative Authority, Agency or Commission or any Court or Tribunal, Board, Bureau, Instrumentality, Judicial or Arbitral body having jurisdiction over the territory of India.

1.12 **“SDPL” or “Transferor Company”** means **Sandesh Digital Private Limited**, a company incorporated under the Companies Act, 2013 and having its registered office at Sandesh Bhavan, Lad Society Road, Bodakdev, Ahmedabad, Gujarat, India, 380054.

1.13 **“Scheme”** or **“the Scheme”** or **“this Scheme”** means this Scheme of Amalgamation in its present form or with any modification(s) made under Clause 17 of this scheme as approved or directed by the Tribunal.

1.14 **“TSL” or “Transferee Company”** means The Sandesh Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Sandesh Bhavan, Lad Society Road, B/H Vastrapur Gam, P.O.Bodakdev, Ahmedabad, Gujarat, India, 380054.

1.15 **“Tribunal”** means National Company Law Tribunal, Bench at Ahmedabad, Gujarat.

1.16 **“Income Tax Act”** means the Income-tax Act, 2025, (earlier Income-tax Act, 1961);

1.17 **“Rupees or Rs.”** means Indian Rupee, the lawful currency of the Republic of India;

1.18 **“Taxation”** or **“Tax”** or **“Taxes”** means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and service or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, collection at source, dividend distribution tax, advance tax, minimum alternate tax, goods and service tax or otherwise or attributable directly or primarily to Transferor Company and Transferee Company, as the case may be or any other Person and all penalties, charges, costs and interest relating thereto;

1.19 **"Tax Laws"** means all Applicable Laws dealing with Taxes including but not limited to income-tax, sales tax / value added tax, service tax, goods and service tax, excise duty, customs duty or any other levy of similar nature;

1.20 **"Permits"** means all consents, licences, permits, certificates, permissions, , rights, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, whether governmental, statutory, regulatory or otherwise as required under Applicable Law and includes all rights of way associated under Applicable Law or otherwise;

1.21 "**Registrar of Companies"** means the Registrar of Companies having jurisdiction over the Transferor Company and Transferee Company, as the case may be;

1.22 In this Scheme, unless the context otherwise requires:

- 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, the Securities Contract (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, or any statutory modification or re-enactment thereof from time to time.
- words denoting the singular shall include the plural and vice versa and words denoting any gender shall include all genders;
- headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information and convenience only and shall not form part of the operative provisions of this Scheme and shall be ignored in construing the same;
- the words "include" and "including" are to be construed without limitation;
- reference to a clause, paragraph or schedule is a reference to a clause, paragraph or schedule of this Scheme;
- reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement, re-enactment, restatement or amendment of, that law or legislation or regulation and shall include the rules and regulations thereunder; and

- References to days, months and years are to calendar days, calendar months and calendar years, respectively.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The amalgamation of the Transferor Company with the Transferee Company with any modifications approved or directed by the Tribunal, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date, but shall be operative from the Effective Date. Therefore, for all tax purposes, the amalgamation would be effective from the Appointed Date of the Scheme. Notwithstanding the above, the accounting treatment to be adopted to give effect to the provisions of the Scheme would be in consonance with Indian Accounting Standard 103 (Ind AS 103) and mere adoption of such accounting treatment will not in any manner affect the amalgamation of the Transferor Company with the Transferee Company from the Appointed Date.

3. SHARE CAPITAL

3.1 The share capital of the Transferor Company as on March 31, 2026 was as under:

Particulars	Amount (in Rs.)
Authorised Capital	
10,00,000 Equity Shares of Rs. 10 each	1,00,00,000
Total	**1,00,00,000**
Issued, Subscribed and Paid-up Capital	
10,000 Equity Shares of Rs. 10 each fully paid up	1,00,000
Total	**1,00,000**

Subsequent to March 31, 2026, there has been no change in the authorized, issued, subscribed and paid up equity share capital of the Transferor Company.

As on date, the Transferor Company is a wholly-owned subsidiary of the Transferee Company. The entire paid up equity share capital of the Transferor Company is held by the Transferee Company along with its nominees.

3.2 The share capital of the Transferee Company as on March 31, 2026 was as under:

Particulars	Amount (in Rs.)
Authorised Capital	
1,50,00,000 Equity Shares of Rs. 10 each	15,00,00,000

Total	**15,00,00,000**
Issued Capital	
75,69,421 Equity Shares of Rs. 10 each	7,56,94,210
Subscribed & Paid-up Capital	
75,69,421 Equity Shares of Rs. 10 each	7,56,94,210
Total	**7,56,94,210**

Subsequent to March 31, 2026, there has been no change in the authorized, issued, subscribed and paid up equity share capital of the Transferee Company.

The equity shares of the Transferee Company are currently listed on BSE Limited and NSE India Limited.

PART B
MERGER OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

4. TRANSFER AND VESTING OF UNDERTAKING OF THE TRANSFEROR COMPANY TO AND WITH THE TRANSFEREE COMPANY

4.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, the entire business and whole of the undertaking of the Transferor Company shall stand transferred to and be vested and/or deemed to have been vested in and amalgamated with the Transferee Company, as a going concern, without any further deed or act, together with all its assets, liabilities, properties, rights, investments, benefits and interest therein, subject to existing charges thereon in favour of banks and financial institutions or otherwise, as the case may be and subject to the provisions of the Scheme in accordance with Sections 230 to 232 of the Act and all other applicable provisions of the Act, if any.

4.2 Without prejudice to the generality of the foregoing:

(a) the assets of the Transferor Company shall include, without limitation:

(ii) all properties and assets of whatsoever nature and wherever situated, including but not limited to plant and machinery, furniture and fixtures, office equipment, other equipment, computers, air conditioners, investments, cash on hand, stock-in-trade, advances, receivables and claims, whether recognised or not;

(iii) all licenses, permits, approvals, permissions, incentives, subsidies, concessions, grants, rights, claims, leases, liberties, special status, approvals and consents including environmental approvals and approvals of various regulatory bodies;

(iv) all rights relating to patents, trademarks, service marks, logos, domain names and utility models, copyrights, inventions, brand names whether registered or not and other intellectual property rights;

(v) all rights relating to property including lease/tenancy rights, sublicensing, subleasing rights or rights to grant subtenancy, easement rights, permissions, title, interest, contracts, consents, approvals or powers of every kind, nature and descriptions whatsoever and wherever situated, if any;

(vi) all rights and benefits under any contracts with customers, suppliers, sellers, shareholders, and other counterparties; and

(vii) all tax incentives and benefits including but not limited to credit for Advance tax, b/f business tax loss, Taxes Deducted at Source, Minimum Alternate Tax credit, credit under Goods and Services Tax, etc.

(b) the liabilities shall include all debts, liabilities, contingent liabilities, duties and obligations of the Transferor Company as on the Appointed Date, whether or not provided in the books of the Transferor Company which shall be deemed to be the debt, liabilities, duties and obligations of the Transferee Company as the case may be, 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, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.

Provided that the Scheme shall not operate to enlarge the security for the said liabilities of the Transferor Company which shall vest in the Transferee Company by virtue of the Scheme and the Transferee Company shall not be obliged to create any further, or additional security thereof after the amalgamation has become effective or otherwise. The transfer / vesting of the assets of the Transferor Company as aforesaid shall be subject to the terms and conditions of the existing charges / hypothecation / mortgages over or in respect of the assets or any part thereof of the Transferor Company.

4.3 (a) All the assets, licenses, permits, quotas, including approvals of various regulatory bodies, permissions, incentives, benefits, loans, subsidies, concessions, grants, rights, claims, leases, tenancy rights, copy rights, trade marks, logos, brands, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued to the Transferor Company upto the Appointed Date or after the Appointed Date and prior to the Effective Date in connection with or in relation to the operations and business of the Transferor Company shall, pursuant to the provisions of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date the assets, licenses, permits, quotas, approvals including permissions, exemptions, exclusions, incentives, loans, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferor Company and shall remain valid, effective and enforceable by the Transferee Company on the same terms and conditions to the extent permissible under law.

(b) On the scheme becoming effective, all moveable assets including cash in hand, if any, of the Transferor Company, 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.

(c) In respect of all movables other than those specified in sub clause (b) 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, Semi 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.

(d) The entitlement to various benefits under incentive schemes and policies in relation to the Transferor Company shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in the Transferee Company together with all benefits, entitlements and incentives of any nature whatsoever. Such entitlements shall include (but shall not be limited to) income Tax, Goods And Services Tax, Customs and other incentives in relation to the Transferor Company to be claimed by the Transferee Company with effect from the Appointed Date as if the Transferee Company was originally entitled to all such benefits under such incentive schemes and/or policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under such incentive schemes were made available to the Transferor Company.

(e) All cheques and other negotiable instruments, payment orders received in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company. Similarly, the bankers of the Transferee Company shall honour the cheques issued by the Transferor Company for payments after Effective Date.

(f) The provisions of this Scheme as they relate to the amalgamation of the Transferor Company with the Transferee Company, have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(6) of the Income-tax Act, 2025 (corresponding to erstwhile Section 2(1B) of the Income-tax Act, 1961). If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, 2025, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income-tax Act, 2025, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(6) of the Income-tax Act, 2025. Such modification will, however, not affect the other parts of the Scheme.

5. TAXES

5.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, all taxes (direct and indirect) payable by the Transferor Company under Income-tax Act 1961, Customs Act, Goods and Service Tax, provisions or other applicable laws/ regulations dealing with taxes/duties/levies (hereinafter referred to as "tax laws") shall be to the account of the Transferee Company. Similarly all credits for tax deduction at source on income of the Transferor Company, or obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company shall be made or deemed to have been made and duly complied with by the Transferee Company if so made by the Transferor Company. Similarly any advance tax payment required to be made for and by the specified due dates in the tax laws shall also be deemed to have been made by the Transferee Company if so made by the Transferor Company. Further, Minimum Alternate Tax paid by the Transferor Company under Income Tax Act 1961, shall be deemed to have been paid by the Transferee Company and Minimum Alternate Tax Credit (if any) of the Transferor Company as on or accruing after the Appointed Date shall stand transferred to the Transferee Company and such credit would be available for set off against the tax liabilities of the Transferee

Company. Any refunds/credit under the tax laws due to the Transferor Company consequent to assessments made on the Transferor Company and for which no credit is taken as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

5.2 Further, any tax holiday/benefit/deduction/exemption/carry forward losses enjoyed by the Transferor Company under the Income-tax Act, 1961, and any Input Tax Credit enjoyed by the Transferor Company under Goods and Service Tax or any other tax laws shall stand transferred to the Transferee Company.

5.3 On or after the Effective Date, the Transferor Company and the Transferee Company are expressly permitted to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961(including for the purpose of re-computing tax on profits and claiming other tax benefits), Service Tax Law, Goods and Services Tax law and other tax laws, and to claim refunds and/or credits for taxes paid, and to claim tax benefits etc. and for matters incidental thereto, if required to give effect to the provisions of the Scheme from the Appointed Date.

5.4 All taxes (including but not limited to Income Tax, Sales Tax, Excise Duty, Service Tax, Value Added Tax, Goods and Services Tax etc.) paid or payable by the Transferor Company in respect of the operations and/or profits of the business before the Appointed Date shall be on account of the Transferor Company and in so far it relates to the tax payment (including without limitation, Custom Duty, Income Tax, Goods and Services Tax etc.) whether by way of deduction at source, advance tax or otherwise by the Transferor Company in respect of profits or activities or operations of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.

6. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

6.1 Subject to the provisions contained in this Scheme, all contracts, deeds, bonds, agreements, arrangements, schemes, insurance policies, indemnities, guarantees and other instruments of whatever nature subsisting on the effective date to which the Transferor Company is a party thereto shall be in full force and effect against or in favour of the Transferee Company and may be enforced fully and effectively as if instead of the Transferor Company, the Transferee Company had been the party thereto.

6.2 Upon coming into effect of the Scheme and with effect from the Appointed Date, all permits, quotas, rights, entitlements, industrial and other licences, branches, brand registrations, offices, depots and godowns, trademarks, trade names, know-how and other intellectual property, patents, copyrights, privileges and benefits of all contracts, agreements and all other rights including lease rights, licenses, powers and facilities of every kind, nature and description whatsoever to which the Transferor Company is a party or to the benefits of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be and remain in full force and effect in favour of or against the Transferee Company as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.

6.3 Upon coming into effect of the Scheme and with effect from the Appointed Date, any transferable statutory licenses, no objection certificates, permissions or approvals or consents required to carry on operations of the Transferor Company shall stand vested in or transferred to the Transferee Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company upon the vesting and transfer of undertaking of the Transferor Company pursuant to the Scheme. The benefit of all transferable statutory and regulatory permissions, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Transferor Company shall vest in and become available to the Transferee Company pursuant to the Scheme.

6.4 The Transferee Company, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, shall execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Undertaking of the Transferor Company to which the Transferor Company is a party in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.

7. LEGAL PROCEEDINGS

7.1 All legal proceedings, including arbitration proceedings, of whatsoever nature, by or against the Transferor Company pending and / or arising on or after the Appointed Date, as and from the Effective Date shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against the Transferee Company in the manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.

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

7.3 The Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company referred to in Clause 7.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company after the Effective Date.

8. EMPLOYEES

8.1 On the Scheme becoming operative, all employees of the Transferor Company in service on the Effective Date shall be deemed to have become employees of the Transferee Company without any break in their service and on the basis of continuity of service, and on the basis that the employment terms are not less favourable than in the Transferor Company.

8.2 The employees of the Transferor Company, upon becoming employees of the Transferee Company pursuant to the Scheme, shall be eligible to participate in and be governed by the terms and conditions of the Employee Stock Option Plan(s) introduced thereafter by the Transferee Company, subject to the terms of such Employee Stock Option Plan(s) and the applicable provisions of law.

8.3 The Transferee Company confirms that the services of all such employees in the Transferor Company up to the Effective Date shall be taken into account for purposes of all retirement benefits to which they may be eligible in the Transferor Company on the Effective Date.

8.4 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, or any other special fund or trusts, if any, created or existing for the benefit of the employees of the Transferor Company shall become the trusts/ funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such fund or funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous for the purpose of the said fund or funds.

9. CONSIDERATION

9.1 The entire issued, subscribed and paid-up equity share capital of the Transferor Company is directly held by the Transferee Company along with its nominees. Upon the Scheme becoming effective, no equity shares of the Transferee Company shall be allotted in lieu or exchange of its holding in the Transferor Company and the Transferee Company's investment in the entire equity share capital of the Transferor Company shall stand cancelled in the books of the Transferee Company. Upon the coming into effect of this Scheme, the share certificates, if any, and/or the shares in electronic form representing the equity shares held by the Transferee Company in the Transferor Company shall stand cancelled without any further act or deed for cancellation thereof by the Transferee Company and shall cease to be in existence accordingly.

10. ACCOUNTING TREATMENT TO BE ADOPTED BY THE TRANSFEREE COMPANY ON AMALGAMATION

10.1 Upon this Scheme becoming effective, with effect from the Appointed Date for the purpose of accounting for and dealing with the value of assets and liabilities of the Transferor Company, the Transferee Company shall account for the amalgamation in accordance with Pooling of Interest Method in accordance with Appendix C of Ind AS 103 notified under the provisions of the Act, read with relevant rules framed thereunder and other applicable accounting standards prescribed under the Act.

10.2 The Transferee Company shall record the assets, liabilities and reserves relating to the Transferor Company vested in it pursuant to this Scheme, at their respective carrying amounts.

10.3 The identity of the reserves of the Transferor Company if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Company.

10.4 Upon coming into effect of this Scheme, to the extent that there are inter-company loans, advances, deposits balances or other obligations as between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for reduction of any assets or liabilities, as the case may be. Further no interest shall be provided on loans and advances or any outstanding loans and advances, if any, after Appointed Date. All inter party transactions between the Transferor Company and the Transferee Company shall be treated as intra party transactions for all purposes and inter company balances shall stand cancelled.

10.5 The shares held by Transferee Company in Transferor Company shall stand cancelled and there shall be no further obligation in that behalf.

10.6 The difference between the value of assets over the value of liabilities including reserves of the Transferor Company transferred to the Transferee Company pursuant to the order of the Tribunal, after adjusting for the investments in share capital of the Transferor Company shall be adjusted against Capital Reserve of the Transferee Company and will be presented separately from other capital reserves.

10.7 In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail and the difference till Appointed Date would be quantified and adjusted in the reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

11. CONDUCT OF BUSINESS OF THE TRANSFEROR COMPANY UNTIL EFFECTIVE DATE

11.1 With effect from the Appointed Date and upto and including the Effective Date:

(a) The Transferor Company shall carry on and be deemed to have been carrying on its business and activities and shall stand possessed of and hold all of its properties and assets for and on account of and in trust for the Transferee Company. The Transferor Company hereby undertakes to hold the said assets and discharge liabilities with utmost prudence until the Effective Date.

(b) The Transferor Company shall carry on its business and activities with reasonable diligence, business prudence and shall not without the prior written consent of Board of Directors of the Transferee Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose of its undertaking or any part thereof except in the ordinary course of business nor shall the Transferor Company undertake any new business or substantially expand its existing business, nor shall the Transferor Company create any new financial liabilities without the consent of Board of Directors of the Transferee Company except in the ordinary course of business.

(c) The Transferor Company shall not vary the terms and conditions of its employees except in the ordinary course of business.

(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 an on behalf of and as an agent for the Transferee Company.

(e) All the profits or income accruing or arising to the Transferor Company or expenditures or losses arising to or incurred by the Transferor Company with effect from the Appointed Date shall for all purposes and intents be treated and be deemed to be and accrued as the profits or income or expenditure or losses of the Transferee Company.

(f) All inter-company transactions between the Transferor Company and the Transferee Company from the Appointed Date and upto the Effective Date will be treated as intra-company transactions.

12. DIVIDENDS, PROFITS, BONUS/ RIGHTS SHARES

12.1 At any point of time beginning from the period of date of approval of the Scheme by the Board of Directors till the Effective Date, the Transferor Company, with the prior written consent of the Board of Directors of the Transferee Company, may declare and/or pay dividend relating to any period prior to the Effective Date whether interim and/or final to their shareholders;

12.2 Beginning from the period from the date of approval of the Scheme by the Board of Directors till the Effective Date, the Transferor Company shall not issue or allot any rights shares, bonus shares or other shares out of its authorised or unissued share capital for the time being or any other securities convertible into equity or other share capital or obtain any other financial assistance convertible into equity or other share capital, without the prior written consent of the Board of Directors of the Transferee Company.

13. SAVING OF CONCLUDED TRANSACTIONS

13.1 The transfer and vesting of business and undertaking of the Transferor Company to and into the Transferee Company under Clause 4 of this Scheme and the continuance of proceedings by or against the Transferor Company under Clause 7 of this Scheme shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

14. DISSOLUTION WITHOUT WINDING UP OF THE TRANSFEROR COMPANY

14.1 On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound-up.

PART C
GENERAL TERMS & CONDITIONS

15. CONSOLIDATION/ INCREASE IN AUTHORISED SHARE CAPITAL AND AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE TRANSFEREE COMPANY ON THIS SCHEME BECOMING EFFECTIVE

15.1 The authorised share capital of the Transferor Company aggregating to Rs. 1,00,00,000 divided into 10,00,000 equity shares of Rs.10/- each, shall stand transferred to and combined with the authorized share capital of the Transferee Company. The filing fees and stamp duty already 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 accordingly the Transferee Company shall not be required to pay any fees/stamp duty on the authorized share capital so increased.

15.2 The combined authorised share capital of the Transferee Company shall be as under:-

Particulars	**Amount in (Rs.)**
Authorised Share Capital	
1,60,00,000 Equity Shares of Rs. 10 each	16,00,00,000
Total	**16,00,00,000**

15.3 Clause V of the Memorandum of Association of the Transferee Company shall stand substituted by the following clause:-

The Authorised Share Capital of the Company is Rs. 16,00,00,000 (Rupees Sixteen Crores) divided into 1,60,00,000 equity shares of Rs. 10/- (Rupees Ten) each with the rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company with power to increase and reduce the Capital of the Company and divide the shares in the

Capital for the time being into several classes and to attach there to respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or subrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act, 2013 or provided by the Articles of Association of the Company for the time being.

15.4 The Transferee Company shall file the requisite documents/information with the Registrar of Companies or any other Applicable Authority for such increase of the authorised share capital and amendment of its Memorandum of Association.

15.5 It is further clarified that consolidation/ increase in authorised share capital shall become operative on the scheme becoming effective and the approval of the shareholders of the Transferee Company to the Scheme shall be deemed to be their consent/approval for the consolidation and increase of authorized share capital, amendment to the capital clause of the Memorandum of Association, under the provisions of Sections 13, 14, 61 and 64 of the Act and other applicable provisions of the Act.

16. APPLICATION

16.1 The Transferee Company and the Transferor Company shall make applications / petitions under Sections 230 to 232 and other applicable provisions of the Act to the Tribunal, as necessary to seek orders for dispensing with or convening, holding or conducting of the meetings of their respective shareholders and creditors, for sanctioning this Scheme and for consequent actions including for dissolution of the Transferor Company without winding up and further applications/petitions under Sections 230 to 232 of the Act including for sanction/confirmation/clarification of the Scheme.

17. MODIFICATION / AMENDMENT TO THE SCHEME

17.1 The Transferor Company and the Transferee Company by their respective Board of Directors may assent to any modifications/amendments to the Scheme or to any conditions or limitations that the Tribunal and/or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors) subject to the approval of the Tribunal or any other authorities under applicable law. The Transferor Company and the Transferee Company by their respective Board of Directors be and are hereby authorized 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 other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

17.2 In the event that any of the conditions that may be imposed by the Tribunal or other authorities which the Transferor Company and the Transferee Company may find unacceptable for any reason, then the Transferor Company and the Transferee Company are at liberty to withdraw the Scheme.

18. CONDITIONALITY OF THE SCHEME

18.1 The Scheme is and shall be conditional upon and subject to the following:

18.2 Approval of the Scheme by the respective requisite majority of the shareholders/creditors of the Transferor Company and the Transferee Company as may be required under the Act and as may be directed by the Tribunal;

18.3 The sanction and orders of the Tribunal under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act; and

18.4 Certified copy of the order of the Tribunal sanctioning the Scheme being filed with the Registrar of Companies, Ahmedabad, Gujarat, by the Transferor Company and the Transferee Company.

19. RESOLUTIONS

19.1 Upon coming into effect of this Scheme, the resolutions, if any, of the Transferor Company, 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 for/ in the Transferee Company.

20. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS

20.1 In the event of any of the sanctions and approvals referred to in Clause 18 not being obtained or for any other reason, the Scheme cannot be implemented on or before March 31, 2028 or within such further period(s) that the Boards of the Transferor Company and the Transferee Company may mutually agree upon, and/or the Transferor Company and/or the Transferee Company withdraw from this Scheme pursuant to Clause 17 above, the Scheme shall become null and void and in such event no rights or liabilities whatsoever shall accrue to or be incurred by the Transferor Company and the Transferee Company. In such an event, Transferor Company and Transferee Company shall bear and pay its respective costs, charges and expenses for and/or in connection with the Scheme unless otherwise mutually agreed.

21. COSTS, CHARGES & EXPENSES

21.1 All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed), incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by the Transferee Company.

22. MISCELLANEOUS

If any part of this Scheme is invalid, ruled illegal by any Tribunal of competent jurisdiction or unenforceable under present or future laws, then it is the intention of the parties to the Scheme that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties to the Scheme shall attempt to bring about a modification in the Scheme, as will best preserve for such parties the benefits and obligations of the Scheme, including but not limited to such part.

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