

SCHEME OF AMALGAMATION
OF
TECH MAHINDRA BPO LIMITED
AND
NEW VC SERVICES PRIVATE LIMITED
WITH
TECH MAHINDRA LIMITED
AND
THEIR SHAREHOLDERS AND CREDITORS

ANNEXURE - 2

UNDER SECTIONS 391 TO 394 AND OTHER APPLICABLE PROVISIONS OF THE
COMPANIES ACT, 1956

This Scheme of Amalgamation (the "**Scheme**") is presented under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment or amendment thereof) for amalgamation of 'Tech Mahindra BPO Limited' and New vC Services Private Limited with 'Tech Mahindra Limited'.

A. Description of Companies

Transferee Company

- (a) Tech Mahindra Limited ("**TML**" or "**Transferee Company**") is a listed company incorporated under the Companies Act, 1956 with its registered office at Gateway Building, Apollo Bunder, Mumbai - 400 001, Maharashtra [CIN: L64200MH1986PLC041370]. The Transferee Company is engaged in the business of providing information technology and information technology enabled services. The

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Transferee Company also provides engineering services to customers across aerospace, automotive and telecom sector. The equity shares of the Transferee Company are listed on the BSE and the NSE.

Transferor Company

- (b) Tech Mahindra BPO Limited ("TMBL" or "Transferor Company No.1") is a public limited company incorporated under the Act with its registered office at Wing 1, Oberoi Garden Estate, Chandivali, Andheri (E), Mumbai - 400072, Maharashtra [CIN: U72900MH2002PLC254736]. The Transferor Company No.1 is a wholly owned subsidiary of the Transferee Company. TMBL is currently engaged in executing Business Process Outsourcing contracts for their clients in India and abroad, for their operating and management processes.
- (c) New vC Services Private Limited ("NVC" or "Transferor Company No.2") is a private limited company incorporated under the Act with its registered office at Wing 1, Oberoi Garden Estate, Chandivali, Andheri (E), Mumbai - 400072, Maharashtra [CIN: U74140MH2003PTC254737]. The Transferor Company No.2 is a wholly owned subsidiary of the Transferee Company. NVC is currently engaged in business of providing online technical support for all processes, transactions, activities and all other work performed by business in various industries within India and across the world.

B. Rationale and Purpose of the Scheme

To consolidate the information technology enabled services businesses in a single entity which will provide synergy benefits, attain efficiencies and reduce overall cost, it is intended that TMBL and NVC (hereinafter collectively referred to as the "Transferor Companies") should amalgamate with TML.

The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:

- i) Greater integration and greater financial strength and flexibility for the amalgamated entity and strengthening position in the industry, in terms of the asset base, revenues, service range;



- ii) Improved organizational capability and leadership, arising from the combination of human capital who collectively have diverse skills, talent and vast experience to compete successfully in an increasingly competitive industry;
- iii) The combination of the businesses would increase the long term value for shareholders and investors;
- iv) Benefits of operational synergies in terms of economies of scale, more focused operational efforts, rationalization, standardization and simplification of business processes and productivity improvements;
- v) Simplified corporate structure.

In view of the aforesaid, the Board of Directors of the Transferor Companies as well as the Board of Directors of the Transferee Company have considered and proposed the amalgamation of the entire undertaking and business of the Transferor Companies with the Transferee Company.

The amalgamation of the Transferor Companies 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(1B) of the Income Tax Act, 1961.

This Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

For sake of convenience this Scheme is divided into following parts:

Part A which deals with the introduction and definitions, and sets out the share capital of the Transferor Companies and the Transferee Company;

Part B which deals with the amalgamation of TMBL (Transferor Company No.1) with the TML (Transferee Company);

Part C which deals with the amalgamation of NVC (Transferor Company No.2) with the TML (Transferee Company) and;

Part D which deals with the general terms and conditions applicable to this Scheme.



PART A

1. DEFINITIONS

In this Scheme, unless the context or meaning otherwise requires (i) terms defined in the introductory paragraphs and recitals shall have the same meanings throughout this Scheme and (ii) the following words and expressions, wherever used (including in the recitals and the introductory paragraphs above), shall have the following meanings:

- 1.1. **“Act” or “the Act”** means the Companies Act, 1956 and/or the Companies Act, 2013 as in force from time to time; it being clarified that as on the date of approval of this Scheme by the Boards of Directors of the Transferor Companies and the Transferee Company, Sections 391 and 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. Accordingly, references in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956. Upon such provisions standing enacted by enforcement of provisions of the Companies Act, 2013, such references shall, unless a different intention appears, be construed as references to the provisions so re-enacted;
- 1.2. **“Applicable Law” or “Law”** means any applicable statute, law, regulation, ordinance, rule, judgment, order, decree, clearance, approval from the concerned authority, directive, guideline, press note, policy, requirement, or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any Government Authority in effect in the Republic of India;
- 1.3. **“Appointed Date”** means the 1st day of April 2015 or such other date directed by or imposed by the High Court or any other appropriate authority, as may be applicable;



- 1.4. **“Board of Directors”** or **“Board”** in relation to the Transferor Companies and the Transferee Company, as the case may be, means the board of directors of such company, and shall include a committee duly constituted and authorised for the purposes of matters pertaining to the amalgamation, this Scheme and/or any other matter relating thereto;
- 1.5. **“BSE”** means BSE Limited;
- 1.6. **“Effective Date”** or “coming into effect of this Scheme” or “upon the Scheme becoming effective” means the last of the dates, if applicable, on which the certified or authenticated copy(ies) of the order(s) sanctioning the Scheme passed by the High Court or any other appropriate authority, as may be applicable, is/are filed with the Registrar of Companies, Mumbai;
- 1.7. **“Employees”** mean all the permanent employees of the Transferor Companies who are on the pay-roll of the Transferor Companies as on the Effective Date;
- 1.8. **“Encumbrance”** means any mortgage, pledge, equitable interest, assignment by way of security, conditional sales contract, hypothecation, right of other persons, claim, security interest, encumbrance, title defect, title retention agreement, voting trust agreement, interest, option, lien, charge, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of setoff, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind whatsoever, or any agreement, whether conditional or otherwise, to create any of the same and the term “Encumbered” shall be construed accordingly;
- 1.9. **“Governmental Authority”** means (i) a national government, political subdivision thereof; (ii) an instrumentality, board, commission, court, or agency, whether civilian or military, of any of the above, however constituted; and (iii) a government-owned/ government-controlled association, organization in the Republic of India;
- 1.10. **“High Court”** means the High Court of Judicature at Mumbai and shall include the National Company Law Tribunal, as applicable or such other forum or



authority as may be vested with any of the powers of a High Court under Sections 391 to 394 of the Act;

1.11. **“Liabilities”** shall have the meaning assigned to it in Clause 4.2;

1.12. **“NSE”** means National Stock Exchange of India Limited;

1.13. **“Registrar of Companies”** means the Registrar of Companies, Maharashtra, Mumbai;

1.14. **“Scheme”** or **“the Scheme”** or **“this Scheme”** or **“Scheme of Amalgamation”** means this scheme of amalgamation and arrangement, as amended or modified in accordance with the provisions hereof;

1.15. **“SEBI”** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;

1.16. **“SEBI Circulars”** mean Circular No. CIR/CFD/DIL/5/2013 dated 4th February, 2013 and Circular No. CIR/CFD/DIL/8/2013 dated 21st May, 2013, each issued by the SEBI;

1.17. **“Stock Exchanges”** mean each of the BSE and the NSE;

1.18. **“Transferor Company No.1 Undertaking”** means all the undertakings and entire business of the Transferor Company No.1 as a going concern, including, without limitation:

- i) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company No.1, including, without being limited to, land, computers, equipment, buildings and structures, offices, residential and other premises, capital work in progress, sundry debtors, furniture, fixtures, interiors, office equipment, vehicles, appliances, accessories, power lines, depots, deposits, all stocks, stocks of fuel, assets, investments of all kinds (including shares, scripts, stocks, bonds, debenture stocks, units or pass through certificates), cash balances or deposits with banks, loans, advances, contingent rights or benefits, book debts, receivables, actionable



claims, earnest moneys, advances or deposits paid by the Transferor Company No.1, financial assets, leases (including but not limited to lease rights of the Transferor Company No.1), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies or licenses in relation to the office and/or residential properties (including for the employees or other persons), guest houses, godowns, warehouses, licenses, fixed and other assets, intangible assets (including but not limited to software), trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, title, interests, other benefits (including tax benefits), tax holiday benefit, incentives, credits (including tax credits), Minimum Alternate Tax Credit entitlement ("MAT Credit"), tax losses, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company No.1 or in connection with or relating to the Transferor Company No.1 and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company No.1, whether in India or abroad.

(ii) all permits, quotas, rights, entitlements, industrial and other licences, bids, tenders, letters of intent, expressions of interest, municipal permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions in respect of the profits of the undertakings of the Transferor Company No.1 for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the benefit or exemption is available in law (right to admissibility of claim under section 43B of the Income Tax Act 1961 or such provisions becoming admissible in the period after the Appointed Date on discharging liabilities pertaining to Transferor Company No.1, in the same manner and to the same extent as the Transferor Company No.1 would have been entitled to deduction but for the amalgamation) under



Income Tax Act, 1961 or taxation laws of any other country all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company No.1;

(iii) all debts, borrowings, obligations, duties and liabilities, both present and future including contingent liabilities and the Liabilities and obligations under any licenses or permits or schemes of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Rupees or foreign currency, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company No.1; and

(iv) all trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programmes, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company No.1.

1.19. **“Transferor Company No.2 Undertaking”** means all the undertakings and entire business of the Transferor Company No.2 as a going concern, including, without limitation:

i) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company No.2, including, without being limited to, land, computers, equipment, buildings and structures, offices, residential and other premises, capital work in progress, sundry debtors, furniture, fixtures, interiors, office equipment, vehicles, appliances, accessories, power lines, depots, deposits, all stocks, stocks of fuel, assets, investments of all kinds (including shares, scripts, stocks, bonds, debenture stocks, units or



pass through certificates), cash balances or deposits with banks, loans, advances, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company No.2, financial assets, leases (including but not limited to lease rights of the Transferor Company No.2), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies or licenses in relation to the office and/or residential properties (including for the employees or other persons), guest houses, godowns, warehouses, licenses, fixed and other assets, intangible assets (including but not limited to software), trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, title, interests, other benefits (including tax benefits), tax holiday benefit, incentives, credits (including tax credits), Minimum Alternate Tax Credit entitlement ("MAT Credit"), tax losses, easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company No.2 or in connection with or relating to the Transferor Company No.2 and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company No.2, whether in India or abroad.

(ii) all permits, quotas, rights, entitlements, industrial and other licences, bids, tenders, letters of intent, expressions of interest, municipal permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions in respect of the profits of the undertakings of the Transferor Company No.2 for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the benefit or exemption is available in law (right to admissibility of claim under section 43B of the Income Tax Act 1961 or such provisions becoming admissible in the period after the Appointed Date on discharging liabilities pertaining to Transferor Company



No.2, in the same manner and to the same extent as the Transferor Company No.2 would have been entitled to deduction but for the amalgamation) under Income Tax Act, 1961 or taxation laws of any other country all other rights including sales tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company No.2;

(iii) all debts, borrowings, obligations, duties and liabilities, both present and future including contingent liabilities and the Liabilities and obligations under any licenses or permits or schemes of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Rupees or foreign currency, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company No.2; and

(iv) all trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programmes, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company No.2.

All terms used but not defined in this Scheme shall, unless contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act or any statutory modification or reenactment thereof for the time being in force or any legislation which replaces the Act.

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

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



Unless the context otherwise requires:

(i) the singular shall include the plural and vice versa, and references to one gender include all genders.

(ii) references to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).

2. DATE OF TAKING EFFECT

The Scheme, though effective from the Appointed Date, shall come into operation on the Effective Date.

3. SHARE CAPITAL

3.1. The Share Capital structure of the TML as per the last audited accounts for the year ended as on March 31, 2015 is as under:

Particulars	Amount in Rs
Authorized	
1,268,200,000 Equity Shares of Rs. 5 each	6,341,000,000
Total	6,341,000,000
Issued, Subscribed and Paid-up	
960,788,912 Equity Shares of Rs 5 each	480,39,44,560
Total	480,39,44,560

Subsequent to March 31, 2015, and up to the date of approval of this Scheme by the Board of the Transferee Company, though there has been no change in the Authorized share capital, Issued, Subscribed and Paid up Share Capital of the Transferee Company was increased by 565,840 equity shares of Rs.5/- each consequent to exercise of stock options by the employees. The equity shares of the Transferee Company are listed on the Stock Exchanges

3.2. The Share Capital structure of the TMBL Company as per the last audited balance sheet as on March 31, 2015 is as under:



Particulars	Amount in Rs
Authorized	
50,000,000 Equity Shares of Rs. 10 each	500,000,000
100,000,000 Convertible Redeemable Cumulative Preference Shares of Rs. 10 each	1,000,000,000
Total	1,500,000,000
Issued, subscribed and fully paid up	
33,104,319 Equity Shares of Rs. 10 each fully paid-up	331,043,190
Total	331,043,190

3.3. The Share Capital structure of the NVC Company as per the last audited balance sheet as on March 31, 2015 is as under:

Particulars	Amount in Rs
Authorized	
9,000,000 Equity Shares of Rs. 10 each	90,000,000
Total	90,000,000
Issued, subscribed and fully paid up	
9,000,000 Equity Shares of Rs. 10 each	90,000,000
Total	90,000,000

Subsequent to March 31, 2015, and up to the date of approval of this Scheme by the Board of the Transferor Companies, there has been no change in the Authorized, Issued, Subscribed and Paid up Share Capital of the Transferor Companies. Further, the entire equity share capital of the Transferor Companies is held by the Transferee Companies (i.e. the Transferor Companies are wholly owned subsidiaries of the Transferee Company).



PART B

AMALGAMATION OF THE TMBL (TRANSFEROR COMPANY NO. 1) WITH THE TML (TRANSFeree COMPANY)

Upon the coming into effect of this Scheme and with effect from the Appointed Date, pursuant to the sanction of this Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, the Transferor Company No.1 Undertaking shall be and stand vested in or be deemed to have been vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

4. TRANSFER AND VESTING IN TMBL

4.1. TRANSFER AND VESTING OF ASSETS

4.1.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Transferor Company No.1 Undertaking of whatsoever nature and where so ever situate shall, under the provisions of Sections 391 to 394 of the Act and all other applicable provisions of Applicable Law, if any, without any further act or deed, be and stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the estate, assets, properties, rights, claims, title, interest and authorities of the Transferee Company.

4.1.2. Without prejudice to the provisions of Clause 4.1.1 above, in respect of such of the assets and properties of the Transferor Company No.1 as are movable in nature or incorporeal property or are otherwise capable of vesting or transfer by delivery or possession, or by endorsement and/or delivery, the same shall stand so transferred or vested by the Transferor Company No.1 upon the coming into effect of this Scheme, and shall, become the assets and property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act, without requiring any deed or instrument of conveyance for transfer or vesting of the same.

4.1.3. In respect of such of the assets and properties belonging to the Transferor Company No.1 (other than those referred to in Clause 4.1.2 above) including sundry debtors,



receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any government, quasi government, local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the Transferee Company and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act.

4.1.4. All assets, rights, title, interest, investments and properties of the Transferor Company No.1 as on the Appointed Date, whether or not included in the books of the Transferor Company No.1, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Company No.1 on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets, rights, title, interest, investments and properties of the Transferee Company, and shall under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act.

4.1.5. All the profits or income, taxes (including advance tax, tax deducted at source and MAT Credit) or any costs, charges, expenditure accruing to the Transferor Company No.1 or expenditure or losses arising or incurred or suffered by the Transferor Company No. 1 shall for all purpose be treated and be deemed to be and accrue as the profits, taxes, tax losses, MAT Credit, incomes, costs, charges, expenditure or losses of Transferee Company, as the case may be.

4.1.6. All the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company No.1 and all rights and benefits that have accrued or which may accrue to the Transferor Company No.1, whether on, before or after the Appointed Date, including income tax benefits and exemptions, shall, under the provisions of

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Sections 391 to 394 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in and/or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

4.2. TRANSFER AND VESTING OF LIABILITIES

4.2.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date all debts and liabilities of the Transferor Company No.1 including all secured and unsecured debts (in whatsoever currency), liabilities (including contingent liabilities), duties and obligations of the Transferor Company No.1 of every kind, nature and description whatsoever whether present or future, and howsoever arising, along with any charge, encumbrance, lien or security thereon (herein referred to as the "Liabilities") shall, pursuant to the sanction of this Scheme by the High Court and under the provisions of Sections 391 to 394 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company, to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company No.1, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this clause.

4.2.2. Where any such debts, liabilities, duties and obligations of the Transferor Company No.1 as on the Appointed Date have been discharged by such Transferor Company No.1 on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.

4.2.3 All loans raised and utilised and all liabilities, duties and obligations incurred or

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undertaken by the Transferor Company No.1 on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 391 to 394 of the Act, without any further act, instrument or deed be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

4.2.4. Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time from the Appointed Date to the Effective Date become due between the Transferor Company No.1 and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.

4.3. ENCUMBRANCES

4.3.1. The transfer and vesting of the assets comprised in the Transferor Company No.1 Undertaking to the Transferee Company under Clause 4.1 of this Scheme shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided.

4.3.2. All Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company No.1 shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date, provided that if any of the assets of the Transferor Company No.1 have not been Encumbered, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above

4.3.3 The existing Encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the Liabilities of the Transferee Company

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prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company No.1 transferred to and vested in the Transferee Company by virtue of this Scheme.

4.3.4 Any reference in any security documents or arrangements (to which any of the Transferor Company No.1 is a party) to the Transferor Company No.1 and their respective assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company No.1 transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/ or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

4.3.5 Upon the coming into effect of this Scheme, the Transferee Company shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of this Scheme.

4.3.6. It is expressly provided that, save as herein provided, no other term or condition of the Liabilities transferred to the Transferee Company is amended by virtue of this Scheme except to the extent that such amendment is required statutorily.

The provisions of this Clause 4.3 shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/or superseded by the foregoing provisions.

5 CONSIDERATION

As the Transferor Company No.1 is a wholly-owned subsidiary of the Transferee Company, no consideration shall be payable pursuant to the amalgamation of the Transferor Company No.1 with the Transferee Company, and the equity shares held by the Transferee Company and along with the nominee in the Transferor Company No.1 shall stand cancelled without any further act, application or deed.



6 ACCOUNTING TREATMENT

Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall account for amalgamation of Transferor Company No.1 in its books of account in accordance with pooling of interests method under Accounting Standard 14 (Accounting for Amalgamations) specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, as under:

- 6.1 The Transferee Company shall account for the amalgamation of the Transferor Company No.1 in its books of account with effect from the Appointed Date.
- 6.2 All assets & liabilities, including reserves, of the Transferor Company No.1 shall be recorded in the books of account of the Transferee Company at their existing carrying amounts and in the same form as they appear in the financial statement of the Transferor Company No.1.
- 6.3 Amount of share capital of the Transferor Company No.1 and the gross value recorded as investment in the books of the Transferee Company shall be adjusted against each other and difference, if any, shall be debited to general reserves account or credited to capital reserve account of the Transferee Company, as the case may be.
- 6.4 All costs and expenses incurred in connection with the Scheme and to put it into operation and any other expenses or charges attributable to the implementation of the Scheme shall be debited to the statement of profit & loss account of the Transferee Company; with the exception of the following costs and expenses, which will be accounted in the books of Transferee Company as under:
 - i) Stamp duty, if any, payable on the High Court orders determined on the basis of value of immovable properties transferred to Transferee Company, if any, in pursuance to this Scheme being the cost incurred in acquiring the said immovable properties shall be capitalized in the books of Transferee Company with the respective fixed assets in accordance with Accounting Standard 10-"Accounting of Fixed Assets".
- 6.5 All inter-corporate deposits, loans and advances, outstanding balances or other obligations between the Transferor Company No.1 and the Transferee Company, shall



be cancelled and there shall be no obligation/outstanding in that behalf.

- 6.6 In case of any differences in accounting policy between the Transferee Company and the Transferor Company No.1, the impact of the same till the Appointed Date will be quantified and recorded in accordance with the applicable Accounting Standards notified under the Act to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.



PART C

AMALGAMATION OF THE NVC (TRANSFEROR COMPANY NO.2) WITH THE TML (TRANSFeree COMPANY)

Upon the coming into effect of this Scheme and with effect from the Appointed Date, pursuant to the sanction of this Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, the Transferor Company No.2 Undertaking shall be and stand vested in or be deemed to have been vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

7. TRANSFER AND VESTING IN NVC

7.1. TRANSFER AND VESTING OF ASSETS

7.1.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Transferor Company No.2 Undertaking of whatsoever nature and where so ever situate shall, under the provisions of Sections 391 to 394 of the Act and all other applicable provisions of Applicable Law, if any, without any further act or deed, be and stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, as and from the Appointed Date, the estate, assets, properties, rights, claims, title, interest and authorities of the Transferee Company.

7.1.2. Without prejudice to the provisions of Clause 7.1.1 above, in respect of such of the assets and properties of the Transferor Company No.2 as are movable in nature or incorporeal property or are otherwise capable of vesting or transfer by delivery or possession, or by endorsement and/or delivery, the same shall stand so transferred or vested by the Transferor Company No.2 upon the coming into effect of this Scheme, and shall, become the assets and property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act, without requiring any deed or instrument of conveyance for transfer or vesting of the same.

7.1.3. In respect of such of the assets and properties belonging to the Transferor Company No.2 (other than those referred to in Clause 7.1.2 above) including sundry debtors,



receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any government, quasi government, local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the Transferee Company and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act.

7.1.4. All assets, rights, title, interest, investments and properties of the Transferor Company No.2 as on the Appointed Date, whether or not included in the books of the Transferor Company No.2, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Company No.2 on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets, rights, title, interest, investments and properties of the Transferee Company, and shall under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act.

7.1.5. All the profits or income, taxes (including advance tax, tax deducted at source and MAT Credit) or any costs, charges, expenditure accruing to the Transferor Company No. 2 or expenditure or losses arising or incurred or suffered by the Transferor Company No. 2 shall for all purpose be treated and be deemed to be and accrue as the profits, taxes, tax losses, MAT Credit, incomes, costs, charges, expenditure or losses of Transferee Company, as the case may be.

7.1.6. All the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company No.2 and all rights and benefits that have accrued or which may accrue to the Transferor Company No.2, whether on, before or after the Appointed Date, including income tax benefits and exemptions, shall, under the provisions of



Sections 391 to 394 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in and/or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.

7.2. TRANSFER AND VESTING OF LIABILITIES

7.2.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date all debts and liabilities of the Transferor Company No.2 including all secured and unsecured debts (in whatsoever currency), liabilities (including contingent liabilities), duties and obligations of the Transferor Company No.2 of every kind, nature and description whatsoever whether present or future, and howsoever arising, along with any charge, encumbrance, lien or security thereon (herein referred to as the "Liabilities") shall, pursuant to the sanction of this Scheme by the High Court and under the provisions of Sections 391 to 394 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company, to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company No.2, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this clause.

7.2.2. Where any such debts, liabilities, duties and obligations of the Transferor Company No.2 as on the Appointed Date have been discharged by such Transferor Company No.2 on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.

7.2.3. All loans raised and utilised and all liabilities, duties and obligations incurred or



undertaken by the Transferor Company No.2 on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme and under the provisions of Sections 391 to 394 of the Act, without any further act, instrument or deed be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

7.2.4. Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time from the Appointed Date to the Effective Date become due between the Transferor Company No.2 and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.

7.3. ENCUMBRANCES

7.3.1. The transfer and vesting of the assets comprised in the Transferor Company No.2 Undertaking to the Transferee Company under Clause 7.1 of this Scheme shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided.

7.3.2. All Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company No.2 shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date, provided that if any of the assets of the Transferor Company No.2 have not been Encumbered, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above

7.3.3. The existing Encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the Liabilities of the Transferee Company

prior to the Effective Date shall continue to relate to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company No.2 transferred to and vested in the Transferee Company by virtue of this Scheme.

7.3.4. Any reference in any security documents or arrangements (to which any of the Transferor Company No.2 is a party) to the Transferor Company No.2 and their respective assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company No.2 transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/ or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.

7.3.5. Upon the coming into effect of this Scheme, the Transferee Company shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of this Scheme.

7.3.6. It is expressly provided that, save as herein provided, no other term or condition of the Liabilities transferred to the Transferee Company is amended by virtue of this Scheme except to the extent that such amendment is required statutorily.

The provisions of this Clause 7.3 shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/or superseded by the foregoing provisions.

8. CONSIDERATION

As the Transferor Company No.2 is a wholly-owned subsidiary of the Transferee Company, no consideration shall be payable pursuant to the amalgamation of the Transferor Company No.2 with the Transferee Company, and the equity shares held by the Transferee Company and along with the nominee in the Transferor Company No.2 shall stand cancelled without any further act, application or deed.

9. ACCOUNTING TREATMENT

Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall account for amalgamation of Transferor Company No.2 in its books of account in accordance with pooling of interests method under Accounting Standard 14 (Accounting for Amalgamations) specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, as under:

- 9.1. The Transferee Company shall account for the amalgamation of the Transferor Company No.2 in its books of account with effect from the Appointed Date.
- 9.2. All assets & liabilities, including reserves, of the Transferor Company No.2 shall be recorded in the books of account of the Transferee Company at their existing carrying amounts and in the same form as they appear in the financial statement of the Transferor Company No.2.
- 9.3. Amount of share capital of the Transferor Company No.2 and the gross value recorded as investment in the books of the Transferee Company shall be adjusted against each other and difference, if any, shall be debited to general reserves account or credited to capital reserve account of the Transferee Company, as the case may be.
- 9.4. All costs and expenses incurred in connection with the Scheme and to put it into operation and any other expenses or charges attributable to the implementation of the Scheme shall be debited to the statement of profit & loss account of the Transferee Company with the exception of the following costs and expenses, which will be accounted in the books of Transferee Company as under:
 - i) Stamp duty, if any, payable on the High Court orders determined on the basis of value of immovable properties transferred to Transferee Company, if any, in pursuance to this Scheme being the cost incurred in acquiring the said immovable properties shall be capitalized in the books of Transferee Company with the respective fixed assets in accordance with Accounting Standard 10-“Accounting of Fixed Assets”.
- 9.5. All inter-corporate deposits, loans and advances, outstanding balances or other obligations between the Transferor Company No.2 and the Transferee Company, shall



be cancelled and there shall be no obligation/outstanding in that behalf.

In case of any differences in accounting policy between the Transferee Company and the Transferor Company No.2, the impact of the same till the Appointed Date will be quantified and recorded in accordance with the applicable Accounting Standards notified under the Act to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.



PART D

GENERAL TERMS AND CONDITIONS

10. TAX

- 10.1. Upon the Scheme coming into effect, all taxes (direct and/or indirect)/ cess/ duties payable by or on behalf of the Transferor Companies from the Appointed Date onwards including all or any refunds and claims, including refunds or claims pending with any Governmental Authority and including the right to claim credit for minimum alternate tax and VAT, service tax shall, for all purposes, be treated as the tax/ cess/ duty, liabilities or refunds, claims, MAT Credit, and service tax/VAT credit and rights to claim credit or refund etc, of the Transferee Company. Accordingly, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns, wealth tax returns, sales tax returns, service tax returns, other statutory returns, and to claim refunds/credits, pursuant to the provisions of this Scheme.
- 10.2. The Transferee Company shall also be permitted to claim refunds / credits in respect of any transaction between the Transferor Companies and the Transferee Company. Without prejudice to the generality of Clause 10.1 above, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns and related withholding tax certificates, including withholding tax certificates relating to transactions between the Transferor Companies and the Transferee Company, and to claim refunds, advance tax and withholding tax credits, benefit of credit for minimum alternate tax and carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.
- 10.3. The withholding tax/ advance tax/ minimum alternate tax, if any, paid by or paid on behalf of the Transferor Companies under the Income Tax Act, 1961 or any other statute in respect of income of the Transferor Companies assessable for the period commencing from the Appointed Date shall be deemed to be the tax deducted from/advance tax paid by the Transferee Company and credit for such withholding tax/advance tax/minimum alternate tax shall be allowed to the Transferee Company notwithstanding that certificates or challans for withholding tax/advance tax are in the name of the Transferor Companies and not in the name of the Transferee Company.
- 10.4. The service tax paid by the Transferor Companies under the Finance Act, 1994 in respect of services provided by the Transferor Companies for the period commencing



from the Appointed Date shall be deemed to be the service tax paid by the Transferee Company and credit for such service tax shall be allowed to the Transferee Company notwithstanding that challans for service tax payments are in the name of the Transferor Companies and not in the name of the Transferee Company.

11. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

11.1. Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature, to which the Transferor Companies is a party or to the benefit of which the Transferor Companies may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Companies concerned, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder.

11.2. Without prejudice to the other provisions of this Scheme and notwithstanding that vesting of the Transferor Companies Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Companies is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, after the Effective Date, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Companies and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Companies to be carried out or performed.

Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme and with effect from the Appointed Date, all consents, permissions, licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Companies shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the



same shall be available to the Transferee Company.

12. LEGAL PROCEEDINGS

Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Companies pending on the Effective Date shall be continued and/ or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted by or against the Transferee Company.

Without prejudice to the provisions of Clauses above, with effect from the Appointed Date, all inter-party transactions between the Transferor Companies and the Transferee Company shall be considered as intraparty transactions for all purposes.

13. EMPLOYEES OF TRANSFEROR COMPANIES

13.1. Upon the coming into effect of this Scheme, all Employees of the Transferor Companies shall, become the employees of the Transferee Company, on terms and conditions not less favourable than those on which they are engaged by the Transferor Companies and without any interruption of or break in service as a result of the amalgamation of the Transferor Companies with the Transferee Company. For the purpose of payment of all retirement benefits, the past services of such Employees with the Transferor Companies which shall be taken into account from the date of their appointment with the Transferor Companies and such benefits to which the Employees are entitled in the Transferor Companies shall also be taken into account, and paid (as and when payable) by the Transferee Company.

13.2. Insofar as the provident fund, gratuity fund, superannuation fund, retirement fund and any other funds or benefits created by the Transferor Companies for its Employees or to which the Transferor Companies is contributing for the benefit of its Employees (collectively referred to as the "Funds") are concerned, the Funds or such part thereof as relates to the Employees (including the aggregate of all the contributions made to such Funds for the benefit of the Employees, accretions thereto and the investments made by the Funds in relation to the Employees) shall be transferred to the Transferee Company and shall be held for the benefit of the concerned Employees. In the event the Transferee Company has its own funds in respect of any of the employee benefits referred to above, the Funds shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, be merged with the relevant funds of the Transferee Company. In the event that the Transferee Company



does not have its own funds in respect of any of the above or if deemed appropriate by the Transferee Company, the Transferee Company may, subject to necessary approvals and permissions, maintain the existing funds separately and contribute thereto until such time that the Transferee Company creates its own funds, at which time the Funds and the investments and contributions pertaining to the Employees shall be merged with the funds created by the Transferee Company.

- 13.3. In relation to those Employees for whom the Transferor Companies is making contributions to the government provident fund or other employee benefit fund, the Transferee Company shall stand substituted for the Transferor Companies, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Employees, such that all the rights, duties, powers and obligations of the Transferor Companies as the case may be in relation to such schemes/ Funds shall become those of the Transferee Company.

14. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date, and thereafter, if applicable:

- 14.1. The Transferor Companies shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts and investments for and on account of, and in trust for, the Transferee Company;
- 14.2. All profits and income accruing or arising to the Transferor Companies, and losses and expenditure arising or incurred by them (including taxes, if any, accruing or paid in relation to any profits or income) for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case may be, of the Transferee Company;
- 14.3. Any of the rights, powers, authorities or privileges exercised by the Transferor Companies shall be deemed to have been exercised by the Transferor Companies 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 Companies shall be deemed to have been undertaken

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for and on behalf of and as an agent for the Transferee Company; and

- 14.4. All taxes (including, without limitation, income tax, sales tax, service tax, VAT, etc.) paid or payable whether by way of deduction at source, advance tax or otherwise howsoever paid or payable by the Transferor Companies in respect of the profits or activities or operation of the Transferor Companies 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.

15. DIVIDENDS

- 15.1. The Transferor Companies and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date but only consistent with the past practice or in the ordinary course.

- 15.2. The shareholders of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.

- 15.3. For the avoidance of doubt, it is hereby clarified that nothing in this Scheme shall prevent Transferee Company from declaring and paying dividends, whether interim or final, to its equity shareholders as on the record date for the purpose of dividend and the shareholders of the Transferor Companies shall not be entitled to dividends, if any, declared by Transferee Company prior to the Effective Date.

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

16. RESOLUTIONS

- 16.1. Upon the coming into effect of this Scheme, the resolutions, if any, of the Transferor Companies, which are valid and subsisting on the Effective Date, shall continue to be

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valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

- 16.2. Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of Section 180 (1) (c) of the Companies Act of 2013 shall be deemed, without any further act or deed, to have been enhanced by the aggregate limits of the Transferor Companies which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date.

17. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the entire business and Undertaking of the Transferor Companies pursuant to this Scheme, and the continuance of proceedings under Clause 9 above shall not affect any transaction or proceedings already concluded by the Transferor Companies 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 Companies in respect thereto, as if done and executed on its behalf.

18. COMBINATION OF AUTHORISED CAPITAL

- 18.1. Upon this Scheme becoming effective, the authorised share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of TML including payment of stamp duty and fees payable to Registrar of Companies, by the authorised share capital of the Transferor Companies amounting to Rs. 1,590,000,000/- (Rupees One Hundred Fifty Nine crores only) (consisting of Rs.500,000,000/- authorised equity & Rs.1,000,000,000/- authorised Preference shares of Tech Mahindra BPO Ltd and Rs.90,000,000/- authorised equity share capital of New vC Services Ltd) and the Memorandum of Association and Articles of Association of TML (relating to the authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 16, 31, 94 and 394 and applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duties and fees paid on



the authorised capital of the Transferor Companies shall be utilized and applied to the increased authorised share capital of TML and there would be no requirement for any further payment of stamp duty and/or fee by TML for increase in the authorised share capital to that extent.

- 18.2. Pursuant to the Scheme becoming effective and consequent upon the amalgamation of the Transferor Companies into TML, the authorised share capital of TML will be as under:

Particulars	Amount in Rs
Authorized	
1,586,200,000 Equity Shares of Rs. 5 each	7,931,000,000
Total	7,931,000,000

- 18.3. It is clarified that the approval of the members of TML to the Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum and Articles of Association of TML as may be required under the Act, and Clause 5 of the Memorandum of Association of the TML shall respectively stand substituted by virtue of the Scheme to read as follows:

- 18.4. Clause V (a) of the Memorandum of Association of TML shall stand substituted by virtue of the Scheme to be read as follows:

Clause V (a) of the Memorandum of Association:

"The Authorised Share Capital of the Company is Rs. 7,931,000,000 /- (Rupees Seven Hundred Ninety Three Crores and Ten Lakhs Only) divided into 1,586,200,000 (One Hundred Fifty Eight Crores and Sixty Two Lakhs Only) equity shares of Rs. 5/- (Rupees Five) each."

19. AMENDMENT TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF TML

- 19.1. Upon coming into effect of the Scheme the Memorandum of Association of the Transferee Company shall stand altered and amended so as to insert the following clauses after the existing Clause 5C in the objects clause of the Memorandum of Association of the Transferee Company.

5D. To undertake to execute Business Process Outsourcing (BPO) contracts for clients in India and or abroad, for their operating and management processes. The range or processes to be covered include and not limited to finance and accounting, human resource and pay benefits, customer relationship management, data entry and



encryption management.

5E. To run call centers, customer contact centers and to provide voice, email and chat based customer contact service centers on behalf of clients, to their customers.

20. DISSOLUTION OF THE TRANSFEROR COMPANIES

20.1. On the Scheme becoming effective, the Transferor Companies shall stand dissolved without being wound up and without any further act by the parties.

20.2. On and with effect from the Effective Date, the name of the Transferor Companies shall be struck off from the records of the appropriate Registrar of Companies. The Transferee Company shall make necessary filings in this regard.

20.3. Even after the Scheme becoming effective, the Transferee Company shall be entitled to operate all bank accounts relating to Transferor Companies and realize all monies and complete and enforce all pending contracts and transactions in the name of Transferor Companies insofar as may be necessary until the transfer and vesting of rights and obligations of the Transferor Companies to the Transferee Company under this Scheme is formally effected by the parties concerned.

21. APPLICATIONS/PETITIONS TO THE HIGH COURT AND APPROVALS

21.1. The Transferor Companies shall, with all reasonable dispatch, make application / petition to the High Court or such other appropriate authority under Sections 391 to 394 and other applicable provisions of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the members and/or creditors of the Transferor Companies as may be directed by the High Court or such other appropriate authority.

22. MODIFICATIONS / AMENDMENTS TO THE SCHEME

22.1. The Transferor Companies and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, may make and/or consent to any modifications/amendments to the Scheme, or to any conditions or limitations that the High Court or any other Government Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by the High Court or such other Government Authority, or make any

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modifications / amendments to the Scheme in pursuance of a change in law or otherwise. The Transferor Companies and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, shall be 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.

- 22.2. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate(s) of the Transferor Companies and/or the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulties that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

23. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

- 23.1. The Scheme is conditional upon and subject to:

- 23.1.1. Approval of the Scheme by the requisite majority of each class of the respective members and creditors of the Transferor Companies and the Transferee Company, if applicable, in terms of the applicable provisions of the Act;
- 23.1.2. Sanctions and orders under the provisions of Section 391 read with Section 394 of the Act being obtained by the Transferor Companies and the Transferee Company, if applicable, from the High Court;
- 23.1.3. The certified or authenticated copies of the orders of the High Court sanctioning this Scheme being filed with the appropriate Registrar of Companies.

24. EFFECT OF NON RECEIPT OF APPROVALS / SANCTIONS

- 24.1. In the event of any of the said approvals referred to in Clause 23 above not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the High Court and/or order or orders not being passed as aforesaid at a date as may be mutually agreed upon by the respective Board of Directors of the Transferor Companies and the Transferee Company (who are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any

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limitations in exercise of their powers through and by their respective delegate(s)), this Scheme shall stand revoked, cancelled and be of no effect.

24.2. The Boards of Directors of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme could have adverse implications on the Transferor Companies and/ or the Transferee Company.

24.3. If any part of this Scheme hereof is invalid, ruled illegal by the High Court, or unenforceable under present or future laws, then it is the intention of the Transferor Companies and the Transferee Company that such part shall be severable from the remainder of the Scheme.

25. COSTS, CHARGES AND EXPENSES

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

