

**SCHEME OF AMALGAMATION**  
**OF**  
**PATEL REALTY (INDIA) LIMITED**  
**("PRIL" OR "THE TRANSFEROR COMPANY")**  
**WITH**  
**PATEL ENGINEERING LIMITED**  
**("PEL" OR "THE TRANSFEREE COMPANY")**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**

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**(A) PREAMBLE**

The Scheme of Amalgamation is presented under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 and/or the Companies Act, 2013 (to the extent notified and applicable) for amalgamation of Patel Realty (India) Limited with Patel Engineering Limited. This Scheme also provides for various other matters consequential to amalgamation or otherwise integrally connected herewith.

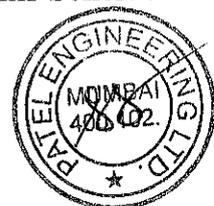
**(B) RATIONALE FOR THE SCHEME**

The Amalgamation of Patel Realty (India) Limited with Patel Engineering Limited would have the following benefits:

- To consolidate and integrate PRIL's operation with PEL;
- Avoid multi-layer structure; and
- Rationalization of administrative and operative costs.

This Scheme of Amalgamation is divided into the following parts:

- (i) **Part A** deals with the definitions and share capital;
- (ii) **Part B** deals with amalgamation of Patel Realty (India) Limited with Patel Engineering Limited;
- (iii) **Part C** deals with other terms and conditions applicable to this Scheme.



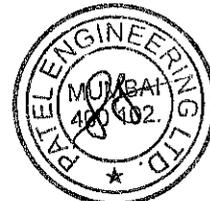
## PART A

### DEFINITIONS AND SHARE CAPITAL

#### 1. DEFINITIONS

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

- 1.1 **“Act” or “the Act”** means the Companies Act, 1956 and the Companies Act, 2013, as applicable, and rules and regulations made thereunder and shall include any statutory modifications, amendments or re-enactment thereof for the time being in force. It is being clarified that as on the date of approval of this Scheme of Amalgamation by the Board of Directors of Patel Realty (India) Limited and Patel Engineering Limited, sections 391 to 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, reference in this Scheme to particular provisions of the Act is reference to the particular provisions of the Companies Act, 1956. Upon such provisions standing re-enacted by enforcement of provisions of the Companies Act, 2013, such reference shall, be construed as reference to the provisions so re-enacted;
- 1.2 **“Appointed Date”** means April 1, 2016 or such other date as may be approved by the High Court of Judicature at Bombay, or any other competent authority, as maybe applicable;
- 1.3 **“Board of Directors” or “Board”** means the Board of Directors of PRIL or PEL, as the case may be, and shall include a committee duly constituted and authorized for the purposes of matters pertaining to the amalgamation, the Scheme and/or any other matter relating thereto;
- 1.4 **“Court” or “High Court”** means the High Court of Judicature at Bombay and shall include the National Company Law Tribunal and the National Company Law Appellate Tribunal as applicable or such other forum or authority as may be vested with any of the powers of a High Court under the Act;
- 1.5 **“Effective Date”** means the date on which the certified copy of the order sanctioning this Scheme of Amalgamation, passed by the High Court or such other competent authority, as may be applicable, is filed by PRIL and PEL with the Registrar of Companies, Mumbai.

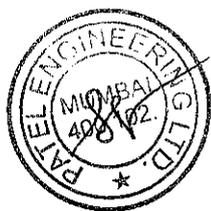


- 1.6 **“PEL” or “the Transferee Company”** means Patel Engineering Limited (CIN: L99999MH1949PLC007039), a company incorporated under the Companies Act, 1913 and having its registered office at Patel Estate, S.V, Road, Jogeshwari West, Mumbai – 400 102, Maharashtra. PEL is in the business of Civil Engineering and Construction. The Equity shares of PEL is listed on BSE Limited and The National Stock Exchange of India Limited.
- 1.7 **“PRIL” or “the Transferor Company”** means Patel Realty (India) Limited (CIN: U70200MH2007PLC167118), a company incorporated under the provisions of the Indian Companies Act, 1956 and having its registered office at Patel Engineering Compound, Patel Estate Road , , Jogeshwari West, Mumbai – 400 102, Maharashtra. PRIL is into the business of developing commercial and residential projects.
- 1.8 **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Amalgamation in its present form or with any modification(s) made under Clause 14 of this Scheme as approved or directed by the High Court or such other competent authority, as may be applicable.
- 1.9 **“Stock Exchanges”** means BSE Limited and The National Stock Exchange of India Limited.

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 Contracts (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.

**2. DATE OF TAKING EFFECT**

The amalgamation of PRIL with PEL, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date and shall be in accordance with Section 2(1B) of the Income-tax Act, 1961, but shall be operative from the Effective Date.



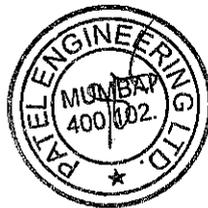
### 3. SHARE CAPITAL

3.1 The authorised, issued, subscribed and paid-up share capital of PRIL as on 31<sup>st</sup> March, 2016 is as under:

Particulars	Amount (in Rs.)
<b>Authorised Share Capital</b>	
25,00,00,000 Equity Shares of Rs. 10/- each	2,500,000,000
80 Zero Coupon Optionally Convertible Preference shares of Rs. 1,00,00,000/- each	800,000,000
<b>Total</b>	<b>3,300,000,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
10,00,00,000 Equity Shares of Rs. 10/- each	1,000,000,000
30 Zero Coupon Optionally Convertible Preference shares of Rs. 1,00,00,000/- each	300,000,000
<b>Total</b>	<b>1300,000,000</b>

Subsequent to 31<sup>st</sup> March 2016 and as on the date of filing the Scheme, the entire issued, subscribed and paid-up share capital of PRIL is held by PEL and the capital structure is as under:

Particulars	Amount (in Rs.)
<b>Authorised Share Capital</b>	
25,00,00,000 Equity Shares of Rs. 10/- each	2,500,000,000
80 Zero Coupon Optionally Convertible Preference shares of Rs. 1,00,00,000/- each	800,000,000
<b>Total</b>	<b>3,300,000,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
10,00,00,000 Equity Shares of Rs. 10/- each	1,000,000,000
<b>Total</b>	<b>1,000,000,000</b>



3.2 The authorised, issued, subscribed and paid-up share capital of PEL as on March 31, 2016 is as under:

Particulars	Amount (in Rs.)
<b>Authorised Share Capital</b>	
230,000,000 Equity Shares of Re 1/- each	230,000,000
20,000,000 Preference shares of Re 1/- each	20,000,000
<b>Total</b>	<b>25,00,00,000</b>
<b>Issued, Subscribed &amp; Paid up Capital</b>	
76,806,282 equity shares of Re.1/- each, fully paid up	76,806,282
<b>Total</b>	<b>76,806,282</b>

Subsequent to 31st March, 2016 and on the date of filing this scheme, there is no change in the issued, subscribed and paid up capital of PEL. During the pendency of the scheme, PEL may issue additional shares to give effect to the resolution approved by the shareholders on August 26, 2016. Further, PEL also proposes to reclassify the aforesaid preference shares into equity shares in the authorized share capital, subject to shareholder’s approval to the notice dated October 14, 2016.

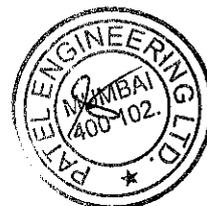
The shares of PEL are currently listed on BSE Limited and The National Stock Exchange of India Limited

**PART B**

**AMALGAMATION OF PATEL REALTY (INDIA) LIMITED WITH PATEL ENGINEERING LIMITED**

**4. TRANSFER AND VESTING OF UNDERTAKING**

4.1 Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of the Scheme, the entire business and whole of the undertaking of PRIL including all its properties and assets, (whether movable or immovable, tangible or intangible), land and building, leasehold assets and other properties, real, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, all



the receivables, advances, deposits etc. including, without limitation, all the movables and immovable properties and assets of PRIL comprising amongst others investments, and business licenses, permits, authorizations, if any, rights and benefits of all agreements and approvals and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, advance and other taxes paid to the authorities, brand names, trademarks, copy rights, lease, tenancy rights, statutory permissions, consents and registrations, all rights or titles or interest in properties by virtue of any court decree or order, all records, files, papers, contracts, Intimation of Disapproval (IOD), Commencement Certificate, Occupation Certificate, Development Right Certificate (DRC), No Objection Certificate from any authorities, including the Municipal authorities, Town Planning Authority, Development Authority, Electricity Board, licenses, power of attorney, lease, tenancy rights, letter of intents, permissions, benefits under income tax, such as credit for advance tax, tax deducted at source, unutilized deposits or credits, minimum alternate tax, etc., credit for service tax, sales tax / value added tax and / or any other statutes, incentives, if any, and all other rights, title, interest, contracts including Development Agreements, Joint Development Agreements, Conveyances, Agreement for Sale, Redevelopment Agreements, etc., consent, approvals or powers of every kind and description, agreements (including agreements with the customers and flat buyers) shall, pursuant to the Order of the High Court and pursuant to provisions of Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Act and without further act, instrument or deed, but subject to the charges affecting the same be transferred and/or deemed to be transferred to and vested in PEL on a going concern basis so as to become the assets of PEL.

Provided always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed of by PRIL and PEL shall not be obliged to create any further or additional security thereof after the Effective Date or otherwise.

4.2 Without prejudice to the generality of Clause 4.1 above, upon coming into effect of this Scheme and with effect from the Appointed Date:

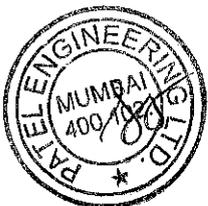
- (a) Subject to the provisions of this Scheme, as specified hereinafter, and with effect from the Appointed Date, the entire business and the undertaking of PRIL including all debts, liabilities, duties and obligations of PRIL of every description and also including, without limitation, all the movable properties and assets of PRIL comprising amongst others all investments, vehicles, furniture and fixtures, computers, office



equipment, permits, authorizations, if any, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall without any further act or deed, but subject to the charges affecting the same be transferred and/or deemed to be transferred to and vested in PEL as a going concern so as to become the assets and liabilities of PEL .

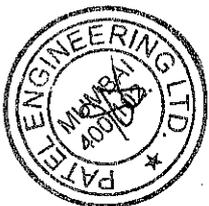
- (b) Without prejudice to the provisions of Clause 4.2. (a) above, in respect of such assets and properties of PRIL as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by PRIL and shall, upon such transfer, become the assets and properties of PEL as an integral part of the undertaking, without requiring any separate deed or instrument or conveyance for the same.
- (c) In respect of movables other than those dealt with in Clause 4.2 (b) above including sundry debtors, bills, loans and advances, deposits of any kind and other current assets, if any, whether receivable in cash or kind or for the value to be received, cash and bank balances, investments, etc., shall on and from the Appointed Date stand transferred to and vested in PEL without any notice or other intimation to the debtors or depositor or any person, as the case may be so that the said debt, loan, advance, deposit, investments, etc. stands transferred and vested in PEL.

4.3 Upon coming into effect of this Scheme and with effect from the Appointed Date, all the movables and immovable properties and assets of PRIL comprising amongst others investments, and business licenses, permits, authorizations, if any, rights and benefits of all agreements and approvals and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, advance and other taxes paid to the authorities, brand names, trademarks, copy rights, lease, tenancy rights, statutory permissions, consents and registrations, all rights or titles or interest in properties by virtue of any court decree or order, all records, files, papers, contracts, Intimation of Disapproval (IOD), Commencement Certificate, Occupation Certificate, Development Right Certificate (DRC), No Objection Certificate from any authorities, including the Municipal authorities, Town Planning Authority, Development Authority, Electricity Board, licenses, power of attorney, lease, tenancy rights, letter of intents, permissions, leases, tenancy rights, liberties, approvals or consents relating to and or held by PRIL and all rights and benefits including Development Agreements, Joint Development Agreements, Conveyances,



Agreement for Sale, Redevelopment Agreements, etc., consent, approvals or powers of every kind and description, agreements (including agreements with the customers and flat buyers) that have accrued or which may accrue to PRIL, whether before or after the Appointed Date shall stand vested in or transferred to PEL, pursuant to the Scheme, without any further act or deed and shall remain valid, effective and enforceable on the same terms and conditions and shall be appropriately mutated by the statutory authorities concerned in favour of PEL pursuant to this Scheme. In so far as the various incentives, subsidies, special status and other benefits or privileges granted by any Government body, local authority or by any other person, or enjoyed and availed of by PRIL shall vest with and be available to PEL on the same terms and conditions.

- 4.4 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all debts, liabilities, duties and obligations of every kind, nature and description pertaining to PRIL shall also without any further act or deed, be transferred to or deemed to be transferred to PEL, so as to become from the Appointed Date the debts, liabilities, duties and obligations of PEL and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.
- 4.5 All Encumbrances, if any, existing prior to the Effective Date over the assets of PRIL which secure or relate to the liabilities 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 and as are transferred to PEL. Provided that if any of the assets of the Transferor Company have not been Encumbered in respect of the Liabilities, 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 PEL. The absence of any formal amendment which may be required by a lender or trustee or third party shall not effect the operation of the above.
- 4.6 All taxes of any nature, duties, cess or any other like payments or deductions made by PRIL to any statutory authorities such as Income Tax, Sales Tax, Value Added Tax, Service Tax etc. or any tax deduction/collection at source, relating to the period after the Appointed Date and upto the Effective Date shall be deemed to have been on account of and on behalf of PEL and the relevant authorities shall be bound to transfer to the account of and give credit for the



same to PEL upon the coming into effect of this Scheme and upon relevant proof and documents being provided to the said authorities.

**5. CONTRACTS, DEEDS AND OTHER INSTRUMENTS**

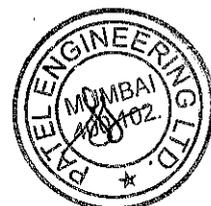
5.1 Upon the coming into effect of this Scheme and with effect from Appointed Date and subject to the other provisions contained in this Scheme all contracts, deeds, bonds, agreements, arrangements, assurances and other instruments of whatsoever nature to which PRIL is a party or to the benefit of which PRIL may be eligible, and which are subsisting or having effect immediately before the Effective Date shall be in full force and effect against or in favour of PEL and may be enforced as fully and effectually as if instead of PRIL, PEL had been the party thereof.

5.2 PEL shall, if so required or become necessary, enter into and / or issue and / or execute deeds, writings or confirmation in order to give formal effect to the provisions of this Scheme. Further, PEL shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of PRIL and to implement or carry out all formalities required on the part of PRIL to give effect to the provisions of this Scheme.

**6. STAFF, WORKMEN AND EMPLOYEES**

6.1 On the Scheme becoming effective, permanent staff and employees, if any, of PRIL in service on the Effective Date, shall be deemed to have become staff and employees of PEL on such date without any break or interruption in their service and on the terms and conditions of their employment not less favorable than those subsisting as on the said date.

6.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Pension Fund, Superannuation Fund or any other Special Fund or Trusts (hereinafter referred to as Fund or Funds) created or existing for the benefit of the staff, workmen and employees of PRIL, if any, shall become trusts/funds of PEL for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to 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 PRIL in relation to such Fund or Funds shall become those of PEL. It is clarified that the services of the staff and employees of PRIL will be treated as having been continuous for the purpose of the said Fund or Funds.



## 7. LEGAL, TAXATION AND OTHER PROCEEDINGS

Upon the coming into effect of this Scheme, all suits, actions, appeal and other proceedings including legal and taxation proceedings (including before any statutory or quasi judicial authority or tribunal) of whatever nature is pending by or against PRIL, whether pending and/or arising on or before the Effective Date shall be continued and/or enforced by or against PEL as effectually and in the same manner and to the same extent as if the same has been instituted and/or pending and/or arising by or against PRIL.

## 8. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

- 8.1 With effect from the Appointed Date and upto and including the Effective Date, PRIL shall carry on and be deemed to have been carrying on its business and activities and shall stand possessed of and hold all of the business for and on account of and for the benefit of and in trust for PEL. Further, all the profits or income accruing or arising to PRIL or expenditure or losses arising to or incurred by PRIL, with effect from the said Appointed Date shall for all purposes and intents be treated and be deemed to be and accrue as the profits or income or expenditure or losses of PEL, as the case may be.
- 8.2 With effect from filing of this Scheme by the Board of Directors of PRIL and PEL and upto and including the Effective Date:
- (a) PRIL shall carry on its business and activities with reasonable diligence, business prudence and shall not without the prior written consent of PEL, (i) sell, alienate, charge, mortgage, encumber or otherwise deal with or dispose of the assets or any part thereof or undertake any financial commitments of any nature whatsoever, except in the ordinary course of business (ii) nor shall it undertake any new business or substantially expand its existing business;
  - (b) PRIL shall not alter its equity capital structure either by fresh issue of shares or convertible securities (on a rights basis or by way of bonus shares or otherwise) or by any decrease, reduction, reclassification, subdivision, consolidation, re-organisation or in any other manner, except by and with the consent of PEL; and
  - (c) PRIL shall not declare or pay any dividends, whether interim or final, to their respective equity shareholders in respect of the accounting period prior to the Effective Date, except with the prior approval of the Board of Directors of PEL.



**9. SAVING OF CONCLUDED TRANSACTIONS**

9.1 The transfer and vesting of the undertaking under Clause 4 and the continuance of legal proceedings by or against PRIL as per Clause 7 shall not affect any transaction or proceedings already concluded by PRIL on or after the Appointed Date till the Effective Date, to the end and intent that PEL accepts and adopts all acts, deeds and things done and executed by PRIL in respect thereto as done and executed on behalf of itself.

**10. CANCELLATION OF SHARES OF PRIL**

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

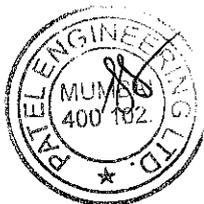
**11. ACCOUNTING TREATMENT**

11.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, PEL shall account for the amalgamation in its books as per the applicable accounting principles prescribed under Indian Accounting Standard (Ind AS) 101, Ind AS 103 and/or any other applicable Ind AS, as the case may be.

**12. AGGREGATION OF AUTHORISED CAPITAL**

12.1 The provisions of this Clause shall operate notwithstanding anything to the contrary in any other instrument, deed or writing.

12.2 Upon sanction of this Scheme, the authorised share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to Registrar of Companies, by the authorised share capital of the Transferor Companies as on the Effective Date and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorized share capital) shall, without any further



act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Section 16, Section 31, Section 94 or any other applicable provisions of the Act, or Section 13, Section 14, or any other applicable provisions of Companies Act, 2013 would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Companies on their authorized share capital shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorised share capital and accordingly, the Transferee Company shall not be required to pay any fees / stamp duty on the authorised share capital so increased.

### **13. DISSOLUTION OF THE TRANSFEROR COMPANY**

On the Scheme becoming effective, PRIL shall stand dissolved without being wound-up.

## **PART C**

### **OTHER TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME**

#### **14. APPLICATION TO THE HIGH COURT OR SUCH OTHER COMPETENT AUTHORITY**

PRIL and PEL as may be directed by the Hon'ble High Court of Judicature at Bombay shall make all necessary application and petition under Sections 391 to 394 and other applicable provisions of the Act to the Hon'ble High Court of Judicature at Bombay, for seeking approval of the Scheme.

#### **15. MODIFICATION / AMENDMENT TO THE SCHEME AND GENERAL POWER TO THE BOARD**

PRIL and PEL with approval of their respective Board of Directors, may, in their full and absolute discretion, jointly and as mutually agreed in writing consent, from time to time, on behalf of all persons concerned, to any modifications / amendments or additions / deletions to the Scheme which may otherwise be considered necessary, desirable or appropriate by the said Board of Directors to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds matters, and things necessary for bringing this Scheme into effect or agree to any terms and / or conditions or limitations that the Hon'ble Court or any other authorities under law may deem



fit to approve of, to direct and / or impose. The aforesaid powers of PRIL and PEL to give effect to the modification / amendments to the Scheme may be exercised by their respective Board of Directors or any person authorised in that behalf by the concerned Board of Directors subject to approval of the Hon'ble High Court or any other authorities under the applicable law to such modification / amendments to the Scheme. The Board of Directors may modify, vary or withdraw this Scheme prior to the Effective Date in any manner at any time.

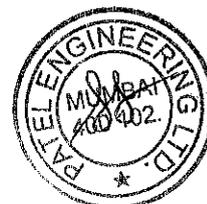
**16. CONDITIONALITY OF THE SCHEME**

The Scheme is conditional upon and subject to the following:

- (a) The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, including Stock Exchange(s) and/or Securities and Exchange Board of India, which by law may be necessary for the implementation of this Scheme;
- (b) The Scheme being approved by the respective requisite majorities of the members and / or creditors of PRIL and PEL as may be directed by the High Court and/or any other competent authority and it being sanctioned by the High Court and/or any other competent authority, as may be applicable;
- (c) The certified copies of the order of High Court under Sections 391 to 394 of the Act sanctioning the Scheme are filed with the Registrar of Companies, Mumbai, Maharashtra.
- (d) The approval of the scheme of amalgamation by the shareholders of PEL through postal ballot and e-voting is exempt and not required pursuant to the exemption provided for under clause 9 (a) of the Circular CIR/CFD/CMD/16/2015 dated November 30, 2015 issued by Securities and Exchange Board of India.

**17. EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS**

17.1 In the event of any of the said sanctions and approvals referred to in the preceding Clause 15 not being obtained and/or the Scheme not being sanctioned by the High Court or such other competent authority and/or the Order not being passed as aforesaid before December 31, 2017 or such other date as the Board of Directors of PEL and PRIL may determine, the Scheme shall become null and void, and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any



right, liability, or obligations which have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law and PEL shall bear the charges and expenses in connection with the Scheme unless otherwise mutually agreed.

17.2 In the event of this Scheme failing to take effect or it becomes null and void no rights and liabilities of whatsoever nature shall accrue to or be incurred *inter-se* to or by the parties to the Scheme or any of them.

**18. COSTS**

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

