COMPOSITE SCHEME OF ARRANGEMENT

BETWEEN

INDIA LAND AND PROPERTIES LIMITED (DEMERGED COMPANY / TRANSFEROR COMPANY)

AND

INDIABULLS INFRASTRUCTURE LIMITED

(RESULTING COMPANY)

AND

INDIABULLS REAL ESTATE LIMITED

(TRANSFEREE COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013

Indiabulls Real Estate Limited

INDIABULLS INFRASTRUCTURE LTD.

INDIA LAND AND PROPERTIES LTD. CHENNAI 600 058

PREAMBLE

A. Background and Rationale for the Composite Scheme of Arrangement

Indiabulls Real Estate Limited ("IBREL") is one of India's leading real estate companies with its focus on construction and development of residential, commercial and SEZ projects across major Indian metro cities. IBREL is listed on the Bombay Stock Exchange ("BSE") and National Stock Exchange ("NSE").

The arrangement is aimed to achieve the following objectives:

- Presently, India Land and Properties Limited has 2 (two) separate businesses which require specialized management focus.

- Demerger of Demerged Undertaking (*as hereinafter defined*) of India Land and Properties Limited into Indiabulls Infrastructure Limited to segregate the said business. The proposed demerger will enable direct ownership, better and more efficient management and control of the Demerged Undertaking and greater management focus on Demerged Undertaking.

- Post demerger, amalgamation of the Residual Transferor Company (*as hereinafter defined*) that is a subsidiary of IBREL (Transferee Company) will be amalgamated with IBREL resulting in reduction in the shareholding layers. Further, the amalgamation would create economies in administrative and managerial costs by consolidating operations and would reduce duplication of administrative responsibilities and multiplicity of records and legal and regulatory compliances.

- Accordingly, to achieve the above objectives, the Board of Directors of the Transferor Company, the Transferee Company and the Resulting Company have decided to make requisite applications and/or petitions before the National Company Law Tribunal ("NCLT") under Sections 230 to 232 of the 2013 Act (*hereinafter defined*) and other applicable provisions for the sanction of this Scheme.

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B. The Scheme is divided into the following parts:

- PART A - Definition and share capital of the companies.
- PART B - Demerger of Demerged Undertaking of Demerged Company into Resulting Company.
- PART C - Amalgamation of the Residual Transferor Company with Transferee Company with effect from Appointed Date.
- PART D - General terms and conditions that would be applicable to the Scheme.

This Scheme also provides for various other matters consequential, incidental or otherwise integrally connected therewith.

PART A
DEFINITION AND SHARE CAPITAL

1. **DEFINITIONS**

In this Scheme, unless inconsistent with the subject, the following expressions shall have the meanings respectively assigned against them:

1.1. **"2013 Act"** means the Companies Act, 2013, as notified, and ordinances, rules and regulations made thereunder and shall include any statutory modification, re-enactment or amendments thereof.

1.2. **"Appointed Date"** shall mean April 1, 2019 or such other date as NCLT may direct;

1.3. **"Board of Directors"** or **"Board"** means and includes the respective Boards of Directors of Transferor Company, the Transferee Company and the Resulting Company or any committee constituted by such Board of Directors for the purposes of the Scheme.

1.4. **"Demerged Company"** or **"Transferor Company"** shall mean India Land and Properties Limited, a subsidiary of Indiabulls Real Estate Limited

1.5. **"Demerged Undertaking"** means the business of owning, operating and leasing of an Industrial Park located in Chennai, known as One Indiabulls Park and more particularly described in Schedule I annexed to the Scheme, together with all the related assets, liabilities and employees on a going concern basis.

Without prejudice and limitation to the generality of the above, the Demerged Undertaking shall mean and include:

i. all the property and assets of the Demerged Undertaking including the Industrial Park described in Schedule I annexed hereto, wherever situated, whether movable or immovable, leasehold or freehold, owned or leased, tangible or intangible, including all computers and accessories, software and related data, leasehold improvements, plant and machinery, offices, capital work in progress, vehicles, furniture, fixtures, office equipment, electricals, appliances, accessories, pertaining to or relatable to the Demerged Undertaking;

ii. all rights and licenses, all assignments and grants thereof, all permits, clearances and registrations whether under Central, State or other laws, rights (including rights/ obligations under agreement(s) entered into with various persons including independent consultants, subsidiaries/ associate companies and other shareholders of such subsidiary/ associate/ joint venture companies, contracts, applications,

letters of intent, memorandum of understandings or any other contracts), non-disposal undertakings, certifications and approvals, regulatory approvals, entitlements, other licenses, consents, tenancies, investments and/ or interest (whether vested, contingent or otherwise), taxes, share of advance tax, tax deducted at source and minimum alternate tax credits (including but not limited to credits in respect of sales tax, value added tax, service tax, goods and services tax and other indirect taxes), deferred tax benefits and other benefits in respect of the Demerged Undertaking, cash balances, bank accounts and bank balances, deposits, advances, recoverable, receivables, easements, advantages, financial assets, hire purchase and lease arrangements, funds belonging to or proposed to be utilized for the Demerged Undertaking, privileges, all other claims, rights and benefits, powers and facilities of every kind, nature and description whatsoever, utilities, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Demerged Undertaking;

iii. all books, records, files, papers, governance templates and process information, records of standard operating procedures, computer programmes along with their licenses, manuals and back-up copies, advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection with or relating to the Demerged Undertaking;

iv. any and all earnest monies and/ or security deposits, or other entitlements in connection with or relating to the Demerged Undertaking;

v. all employees of Demerged Undertaking that are determined by the Board of Directors of Demerged Undertaking, to be substantially engaged in or in relation to the Demerged Undertaking, on the date immediately preceding the Effective Date;

vi. Specific loans and borrowings raised, incurred and utilized for the activities or operations of the Demerged Undertaking;

vii. All other liabilities, pertaining to or relatable to the Demerged Undertaking;

viii. all legal proceedings of whatsoever nature by or against the Demerged Company pending and relating to the Demerged Undertaking;

ix. It is hereby clarified that Excluded Assets and Liabilities does not form part of the Demerged Undertaking and shall continue to vest with and belong to the Demerged Company.

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x. The balance sheet of the Demerged Undertaking as on the Appointed Date shall be jointly drawn up by the Board of Directors of the Demerged Company and the Resulting Company. Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking shall be decided mutually by the Board of Directors of the Demerged Company and the Resulting Company.

1.6. **"Effective Date"** means the date on which the certified copies of the orders of NCLT sanctioning the Scheme are filed with the concerned Registrar of Companies. Any references in this Scheme to the "date of coming into effect of this Scheme" or "effectiveness of the Scheme" or "Scheme taking effect" or "upon this Scheme coming into effect" shall mean the Effective Date.

1.7. **"Excluded Assets and Liabilities"** shall mean those assets and liabilities which are listed in Schedule II to this Scheme.

1.8. **"National Company Law Tribunal"** or **"NCLT"** means the National Company Law Tribunal, New Delhi including its benches, and National Company Law Tribunal, Chennai Bench, as the case may be, as applicable.

1.9. **"Resulting Company"** means Indiabulls Infrastructure Limited. a subsidiary of Indiabulls Real Estate Limited.

1.10. **"Residual Transferor Company"** shall mean all the other businesses, assets, liabilities and employees of India Land and Properties Limited except the Demerged Undertaking which will be demerged into the Resulting Company in accordance with Part B.

1.11. **"Scheme"** or **"the Scheme"** or **"this Scheme"** or **"the Composite Scheme"** means this Composite Scheme of Arrangement in its present form or with any modification(s) made under Clause 23 of the Scheme or as approved or directed by the NCLT.

1.12. **"SEBI"** means Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.

1.13. **"SEBI Circulars"** means Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and further amended by Circular No. CFD/DIL3/CIR/2017/26 dated March 23, 2017, Circular No. CFD/DIL3/CIR/2017/105 dated September 21, 2017 and Circular No. CFD/DIL3/CIR/2018/2 dated January 3, 2018 issued by SEBI and as amended from time to time or any other circulars issued by SEBI applicable to a scheme of arrangement.

1.14. "**Tax**" or "**Taxes**" shall mean all taxes on net income, gross income, gross receipts, sales, use,

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services, ad valorem, value-added, capital gains, corporate income tax, minimum alternate tax, buyback distribution tax, dividend distribution tax, transfer, franchise and profits; withholding tax; property tax; water tax; any tax payable in a representative capacity, goods and service tax; service tax, value-added tax, duties of custom and excise, octroi duty, entry tax, stamp duty, other governmental charges or duties or other taxes or statutory payments in relation to contract labour and/ or other contractors and/ or sub-contractors, statutory pension or other employment benefit plan contributions, fees, assessments or charges of any kind whatsoever, including any surcharge or cess thereon, together with any interest and any penalties, additions to tax or additional amount with respect thereto; and Taxation will be construed accordingly.

1.15. **"Transferee Company"** shall mean Indiabulls Real Estate Limited.

1.16. 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 2013 Act, the Securities Contract Regulation Act, 1956, the Depositories Act, 1996, SEBI Circulars and other applicable laws, rules, regulations, by-laws, as the case may be, or any statutory modification, or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) and amendments(s) made under Clause 23 of the Scheme, approved or imposed or directed by the NCLT, shall be effective from the Appointed Date, as the case may be, but shall be made operative from the Effective Date.

3. DESCRIPTION AND SHARE CAPITAL OF THE COMPANIES

a) IBREL is one of India's leading real estate companies. IBREL was incorporated under Companies Act, 1956 on April 4, 2006. IBREL is engaged in the business of real estate development with its focus on construction and development of residential, commercial and SEZ projects across major Indian metro cities. IBREL is listed on BSE and NSE.

The registered office of IBREL is situated at M-62 & 63, First Floor, Connaught Place, New Delhi. The share capital of IBREL as at March 31, 2018 is as under:

Particulars	Amount (Rs.)
Authorised Share Capital	
75,00,00,000 equity shares of Rs. 2 each	150,00,00,000

36,40,00,000 preference shares of Rs. 10 each	364,00,00,000
Total	**514,00,00,000**
Issued, Subscribed and Paid Up Share Capital	
47,46,74,139 equity shares of Rs. 2 each	94,93,48,278
Total	**94,93,48,278**

The latest share capital of IBREL as of October 30, 2018 is as under:

Particulars	Amount (Rs.)
Authorised Share Capital	
750,000,000 Equity Shares of Rs. 2/- each 364,000,000 Preference Shares of Rs. 10/- each	1,500,000,000 3,640,000,000
Total	**5,140,000,000**
Issued, Subscribed and Paid Up Share Capital	
450,680,289 Equity Shares of face value Rs. 2/- each	901,360,578
Total	**901,360,578**

b) Indiabulls Infrastructure Limited ("**IIL**") was incorporated on November 21, 2005. IIL is a subsidiary of IBREL. IIL is currently engaged in the business of asset management.

The registered office of IIL is situated at Plot No. 14, 3rd Main Road, Ambattur Industrial Estate, Ambattur, Chennai. The latest share capital of IIL as at October 30, 2018is as under:

Particulars	Amount (Rs.)
Authorised Share Capital	
10,000,000 equity shares of Rs. 10 each	100,000,000
34,000,000 preference shares of Rs. 10 each	340,000,000
Total	**44,00,00,000**
Issued, Subscribed and Paid Up	
58,53,147 equity shares of Rs. 10 each	5,85,31,470
Total	**5,85,31,470**

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c) India Land and Properties Limited ("**ILPL**") is a wholly owned subsidiary of IIL and a subsidiary of Indiabulls Real Estate Limited. ILPL was incorporated on January 20, 2000. ILPL was acquired by IIL on March 14, 2017. ILPL is engaged in the business of development and construction of real estate projects.

The registered office of ILPL is situated at Plot No. 14, 3rd Main Road, Ambattur Industrial Estate, Ambattur Chennai, Tamilnadu. The latest share capital of ILPL on October 30, 2018 is as under:

Particulars	Amount (Rs.)
Authorised Capital	
1,40,00,000 equity share of Rs. 10 each	14,00,00,000
3,000,000, 12% non-cumulative redeemable preference shares of Rs. 10 each	3,00,00,000
30,00,000 13.5% non-cumulative compulsorily redeemable preference shares of Rs. 10 each	3,00,00,000
Total	**20,00,00,000**
Issued, Subscribed and Paid Up	
11,435,007 equity shares of Rs. 10	11,43,50,070
3,000,000, 12% non-cumulative compulsorily redeemable preference shares of Rs. 10	3,00,00,000
Total	**14,43,50,070**

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PART B

TRANSFER AND VESTING OF DEMERGED UNDERTAKING FROM DEMERGED COMPANY TO RESULTING COMPANY

4. TRANSFER AND VESTING OF DEMERGED UNDERTAKING FROM DEMERGED COMPANY TO RESULTING COMPANY

4.1 With effect from the Appointed Date and upon this Scheme coming into effect, the Demerged Undertaking (including all accretions and appurtenances) shall, without any further act, instrument or deed, be and stand de-merged from Demerged Company and transferred to and vested in or be deemed to be transferred to and vested in Resulting Company as a going concern, so as to vest in Resulting Company, all the rights, titles and interests pertaining to Demerged Undertaking, pursuant to Sections 230 to 232 of the 2013 Act and any other relevant provisions of the 2013 Act or any corresponding provisions of 2013 Act and the order of the NCLT sanctioning the Scheme, subject however, to subsisting charges, if any.

4.2 Without prejudice to the provisions of Clause 4.1 above, in respect of such of the assets and properties (whether movable or immovable, tangible or intangible) of Demerged Undertaking, including cash in hand, capable of passing by manual delivery or by endorsement and delivery shall be so delivered or endorsed and delivered, as the case may be, and shall upon such delivery or endorsement and delivery, become the assets and properties of Resulting Company, without requiring any deed or instrument or conveyance for the same.

4.3 In respect of all other assets other than those specified in Clause 4.2 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons in relation to the Demerged Undertaking, and all other rights, interests, claims (including investor grievances) and power of every kind and nature and description of and arising to them, cash and bank balances in relation to the Demerged Undertaking, Resulting Company shall give notice in such form as it may deem fit and proper to each person, debtor or depositee that pursuant to the NCLT having sanctioned this Scheme, the said debt, loan, advance or deposit be paid to or made good to or held on account of Resulting Company and that the right of Demerged Company to recover or realize the same stands extinguished.

4.4 Upon this Scheme coming into effect, and with effect from the Appointed Date, and subject to the provisions of this Scheme, all debts, liabilities, duties and obligations of every kind, nature and description of Demerged Company pertaining or relating to Demerged Undertaking shall, without any further act, instrument or deed, be and stand transferred from Demerged Company and transferred to and vested in or be deemed to be transferred to and vested in and assumed by

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Resulting Company so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of Resulting Company, pursuant to Sections 230 to 232 of the 2013 Act or any corresponding provisions of 2013 Act and any other relevant provisions of the 2013 Act and the order of the NCLT sanctioning the Scheme, 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 Clause.

4.5 With effect from the Appointed Date and upon this Scheme coming into effect, all permits, no objection certificates, contracts, rights, consents, entitlements, licenses, including those relating to tenancies, and other industrial properties and any nature whatsoever and licenses assignments, grants in respect thereof, privileges, liberties, easements, contract, advantages, benefits, quota rights, permissions, approvals, privileges, powers, facilities of every kind and description of whatsoever nature in relation to Demerged Undertaking of which Demerged Company is a party or to the benefit of which Demerged Company may be eligible and which are subsisting or having effect on the Effective Date, shall stand transferred to and vested in Resulting Company without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of Resulting Company upon the vesting and transfer of Demerged Undertaking pursuant to this Scheme, and shall be and remain in full force, operative and effectual for the benefit of Resulting Company, and may be enforced by Resulting Company as fully and effectually as if, instead of Demerged Company, Resulting Company had been the original party or beneficiary or oblige thereto.

4.6 This part of the Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income-tax Act, 1961.

4.7 The transfer and vesting of the properties, assets, liabilities and undertakings of the Demerged Company in relation to Demerged Undertaking into Resulting Company under Clause 4 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.

4.8 All the existing securities, mortgages, charges, encumbrances or liens (the '<u>Encumbrances</u>'), if any, as on the Appointed Date and created by the Demerged Company in relation to the Demerged Undertaking after the Appointed Date, over the properties, assets, undertakings or any part thereof stand transferred to Resulting Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Demerged Undertaking, the same shall, after the Effective Date, 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 Resulting Company, and such Encumbrances shall not relate or attach to any of the other assets of Resulting Company, provided however that no Encumbrances shall have been created by the Demerged Company in relation to Demerged Undertaking over their assets

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after the date of approval of the Scheme by the Board of Directors of Resulting Company without the prior written consent of the Board of Directors of Resulting Company.

4.9 The existing Encumbrances over the assets and properties of Resulting Company or any part thereof which relate to the liabilities and obligations of Resulting Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Demerged Company transferred to and vested in the Resulting Company by virtue of this Scheme.

4.10 Encumbrances existing prior to the Effective Date over the assets and properties of the Residual Transferor Company or any part thereof and which relate to the liabilities and obligations of the Demerged Company which are not being transferred to the Resulting Company shall continue to relate only to such assets and properties which belong to the Residual Transferor Company and shall not extend or attach to any of the assets and properties of the Resulting Company.

4.11 Encumbrances existing prior to the Effective Date over the assets and properties of the Demerged Undertaking or any part thereof and which relate to the liabilities and obligations of the Demerged Company in relation to the Demerged Undertaking shall continue to relate only to such assets and properties which belong to the Demerged Undertaking and which are not being part of the Residual Transferor Company and shall continue to relate only to such assets and properties which belong to the Demerged Undertaking and shall not extend or attach to any of the assets and properties of the Residual Transferor Company.

4.12 Any reference in any security documents or arrangements (to which the Demerged Company is a party) and its assets and properties, pertaining to Demerged Undertaking shall be construed as a reference to Resulting Company and the assets and properties of the Demerged Company in relation to Demerged Undertaking stand transferred to Resulting Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Demerged Company and Resulting 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(s), with the Registrar of Companies to give formal effect to the above provisions, if required.

4.13 Upon the coming into effect of this Scheme, Resulting Company alone shall be liable to perform all obligations in respect of the liabilities in relation to Demerged Undertaking, which have been transferred to it in terms of the Scheme.

4.14 It is expressly provided that no other term or condition of the liabilities transferred to Resulting Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.

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4.15 Notwithstanding the provisions of this Scheme including this Clause 4,

(a) any claim pertaining to the Demerged Company relating to the period prior to July 31, 2018, whether pending or threatened as at the Appointed Date or arising thereafter shall be to the account of the Residual Transferor Company and if relating to the period after July 31, 2018, shall be to the account of the Resulting Company;

and/or

(b) any Taxes attributable to any taxable period or portion thereof ending:

i. on or before July 31, 2018 shall be to the account of the Residual Transferor Company / Transferee Company (except for the property tax amounting to Rs. 2,50,00,000/- (Rupees Two Crore Fifty Lakh only) imposed in relation to the asset as specified in Schedule I shall be to the account of the Resulting Company); and

ii. after July 31, 2018 shall be to the account of the Resulting Company.

5. EMPLOYEES OF DEMERGED UNDERTAKING

5.1 Upon the Scheme becoming effective, all permanent employees of the Demerged Undertaking of Demerged Company in service on the Effective Date shall be deemed to have become the employees of Resulting Company with effect from the Appointed Date without any interruption in their service as a result of the transfer of the Demerged Undertaking to Resulting Company on the same terms and conditions of employment as were with Demerged Company. On the basis of continuity of service, the terms and conditions of their employment with Resulting Company shall not be less favourable than those applicable to them with reference to Demerged Undertaking of Demerged Company on the Effective Date.

5.2 The existing provident fund trust and pension fund trust, gratuity fund, superannuation fund or any other fund for the transferred employees of the Demerged Undertaking shall be continued for the benefit of such employees including employees who may hereafter join the Resulting Company on the same terms and conditions and with effect from such date, Resulting Company shall make the necessary contribution for such employees taken over by the Resulting Company until Resulting Company constitutes its own provident fund, gratuity fund, superannuation fund or any other special fund and obtains necessary approval for the same. Upon the Scheme being effective, Resulting Company shall stand substituted for Demerged Company for all purposes whatsoever related to the administration or operation of such trust or fund or in relation to the obligations to make a contribution to the said funds in accordance with the provisions of the trust or funds or according to the terms provided in the respective trust deeds or other documents. Resulting Company undertakes to discharge all the duties and obligations and assumes all the rights and powers of Demerged Company, upon the Scheme being effective, in relation to aforesaid trusts or funds of Demerged Company in relation to the Demerged Undertaking. The services of the staff, workmen and other

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employees of the Demerged Undertaking will be treated as having been continuous for the purposes of the aforesaid trusts/ funds or provisions of any trust/ funds for employees. The amount of liability in respect of gratuity and leave (determined as the sum payable on the Appointed Date as if the same were due) relating to the employees of the Demerged Undertaking shall be appropriately adjusted by Demerged Company and transferred to Resulting Company.

5.3 Resulting Company undertakes to continue to abide by any agreement(s)/settlement(s) entered into with any labour unions/ permanent employees by Demerged Company in relation to the Demerged Undertaking. Resulting Company agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, the past services of such permanent employees with Demerged Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.

6. CONSIDERATION

6.1. Demerged Company is a wholly owned subsidiary of the Resulting Company.

6.2. Upon the coming into effect of the Scheme, and in consideration for the transfer of and vesting of the properties, assets and liabilities of the Demerged Undertaking of the Demerged Company into the Resulting Company in terms of this Scheme, Resulting Company will not be required to issue any shares, since Resulting Company holds the entire shareholding of the Demerged Company as mentioned in Clause 6.1 above.

7. CONTINUATION OF LEGAL PROCEEDINGS

7.1. All legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date, or which may be instituted any time in the future and in each case relating to the Demerged Undertaking (**"Demerged Undertaking Proceedings"**) shall be continued and enforced by or against Resulting Company after the Effective Date, to the extent legally permissible.

7.2. If the Demerged Undertaking Proceedings are taken against the Demerged Company in respect of the matters referred to in Clause 7.1 above, it shall defend the same at the cost of Resulting Company, and the latter shall reimburse and indemnify and hold harmless the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.

7.3. If any Demerged Undertaking Proceedings is pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of this Scheme and the

proceedings may be continued, prosecuted and enforced, by or against Resulting Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Demerged Company, as if this Scheme had not been made.

8. TREATMENT OF TAXES

8.1. With effect from the Appointed Date and upon the Scheme becoming effective, all Taxes and duties payable by Demerged Company, accruing and relating to the operations of the Demerged Undertaking from the Appointed Date onwards, including all advance tax payments, tax deducted at source, any refund and claims shall, for all purposes, be treated as advance tax payments, tax deducted at source or refunds and claims, as the case may be, of Resulting Company.

8.2. Upon the Scheme becoming effective, the Demerged Company and the Resulting Company are expressly permitted to revise, their financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961, applicable Taxes including goods and service tax, excise duty laws and other tax laws, and to claim refunds and/or credit for taxes paid (including minimum alternate tax, tax deducted at source, wealth tax, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme.

8.3. All Tax assessment proceedings/ appeals pertaining to the period upto July 31, 2018, whether in relation to Demerged Undertaking or otherwise, shall be continued and/or enforced only against the Demerged Company / Residual Transferor Company and in no event will such proceeding or appeal devolve on the Resulting Company. In the event any such proceeding or appeal is enforced against the Resulting Company at any point of time and the Resulting Company is required to bear any such Taxes or is required to defend itself against any proceeding or appeal, then the Demerged Company / Residual Transferor Company shall reimburse the Resulting Company all such Taxes and / or the associated costs incurred by the Resulting Company on account of the aforesaid proceedings and appeals.

8.4. All Tax assessment proceedings/ appeals pertaining to the period after July 31, 2018, of whatsoever nature, in relation to the Demerged Undertaking, shall be continued and / or enforced by or against the Resulting Company. In the event any such proceeding or appeal is enforced against the Demerged Company / Residual Transferor Company at any point of time and the Demerged Company / Residual Transferor Company is required to bear any such Taxes or is required to defend itself against any proceeding or appeal, then the Resulting Company shall reimburse the Demerged Company / Residual Transferor Company all such Taxes and / or the associated costs incurred by the Resulting Company on account of the aforesaid proceedings and appeals. Further, all tax assessment proceedings / appeals pertaining to the period after the Appointed Date, of whatsoever nature, not relating to

Demerger Undertaking, shall be continued and / or enforced by or against the Residual Transferor Company.

8.5. Any Tax refund, pertaining to the period upto July 31, 2018 due to the Demerged Undertaking consequent to the assessment made before the Effective Date shall belong to the Demerged Company. Any tax refunds received on or after the Effective Date shall belong to the Transferee Company. Any Tax refund, pertaining to the period after July 31, 2018, due to Demerged Undertaking consequent to any assessment made whether before the Effective Date shall belong to the Resulting Company.

8.6. Upon the Scheme becoming effective, all unavailed credits as on the Appointed Date, including MAT credit and exemptions, benefit of carried forward losses, unabsorbed depreciation and other statutory benefits, including in respect of income tax, Cenvat, customs, goods and service tax etc. arising during the period between the Appointed Date and the Effective Date and Demerged Undertaking to which Demerged Company is entitled to as at the Appointed Date shall be available to and vest in Resulting Company, without any further act or deed.

8.7. In an event that any of the tax credits and other statutory benefits (described in Clause 8.6 above) is not made available to or vest in the Resulting Company for any reason whatsoever, the same should be made available to the Residual Transferor Company / Transferee Company and the Resulting Company shall have the right to receive the same from the Residual Transferor Company / Transferee Company in a manner mutually decided by the Board of Directors of both, the Resulting Company and the Transferee Company within 12 (twelve) months from the Effective Date.

9. SAVING OF CONCLUDED TRANSACTIONS

9.1. The transfer of properties and liabilities to, and the continuance of proceedings by, or against, Resulting Company as envisaged in Clause 4 and Clause 7 above shall not affect any transaction or proceedings already concluded by the Demerged Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company in respect thereto as done and executed on behalf of itself.

10. CONDUCT OF BUSINESS

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

a. The Demerged Company undertakes to carry on and shall be deemed to carry on all businesses and activities and stand possessed of the properties and assets of the

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Demerged Undertaking, for and on account of and in trust for Resulting Company.

b. All profits accruing to the Demerged Company and all taxes thereon or losses arising or incurred by it with respect to the Demerged Undertaking shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of Resulting Company.

10.2. With effect from the date of approval to the Scheme by the Board of Directors of Demerged Company and Resulting Company, and upto and including the Effective Date:

a. the Demerged Company shall carry on the business of the Demerged Undertaking with reasonable diligence and business prudence and in the same manner as it had been doing hitherto.

b. Except with the consent of their respective Board of Directors, Demerged Company and Resulting Company shall not make any change in its respective capital structure either by any increase (by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner effect the reorganisation of capital of Resulting Company.

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PART C

AMALGAMATION OF RESIDUAL TRANSFEROR COMPANY INTO TRANSFEREE COMPANY

11. TRANSFER AND VESTING

Transfer of assets, properties and undertaking

11.1. With effect from the Appointed Date and upon this Scheme coming into effect, Residual Transferor Company without any further act, instrument or deed. be and stand merged and transferred to and vested in or be deemed to be transferred to and vested in Transferee Company as a going concern, so as to vest in Transferee Company, all the rights, titles and interests pertaining to Residual Transferor Company pursuant to the provisions of Sections 230 to 232 of the 2013 Act and pursuant to the orders of the NCLT sanctioning this Scheme.

11.2. Without prejudice to the provisions of Clause 11.1 above, in respect of such of the assets and properties (whether movable or immovable, tangible or intangible) of Residual Transferor Company, including cash in hand, capable of passing by manual delivery or by endorsement and delivery shall be so delivered or endorsed delivered as the case may be, and shall upon such delivery or endorsement and delivery, become the assets and properties of Transferee Company, without requiring any deed or instrument or conveyance for the same.

11.3. Upon the coming into effect of this Scheme and with effect from the Appointed Date, the assets, properties and undertaking of the Residual Transferor Company, save as provided in Clauses 11.4, 11.5 and 11.6 below, shall, under the provisions of Sections 230 to 232 of the 2013 Act, and pursuant to the orders of the NCLT without any further act or deed or matter or thing to be made, done or executed but subject to the changes affecting the same as on the Effective Date, shall stand transferred to and vested in Transferee Company as a going concern so as to become the undertaking and property of the Transferee Company from the Appointed Date.

11.4. All the movable assets of the Residual Transferor Company, including plant and machinery, furniture and fixtures, cash in hand, etc., shall be physically handed over by manual delivery to Transferee Company to the end and intent that the title and property therein shall pass to the Transferee Company on such delivery.

11.5. In respect of movable assets other than those specified in Clause 11.4 above, including sundry debtors, outstanding loans, recoverable in cash or in kind or value to be received, bank balances and deposits with Government, bodies, customers etc., the same shall on and from the Appointed Date stand transferred to and vested in Transferee Company without any notice or other intimation to such party, debtors or depositees, as the case may be. Transferee Company may give notice, although it is not obliged, in such form as it may deem fit and

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proper to each party, debtors or depositees, as the case may be, that pursuant to orders of the NCLT as applicable sanctioning the Scheme, the said debts, loans, advances, etc., be paid or made good or held on account of Transferee Company as the person entitled thereto to the end and intent that the right of the Residual Transferor Company to recover or realize the same stands extinguished. The Residual Transferor Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositee that pursuant to the orders of the NCLT sanctioning the Scheme, the said person, debtor or depositee should pay the debt, loan, advance or make good the same or hold the same to its account and that the rights of Transferee Company to recover or realize the same are in substitution of the rights of the Residual Transferor Company.

11.6. All the licenses, permits, quotas, contracts (together with all non-compete covenants), approvals, permissions, registrations, incentives, tax deferrals 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 Residual Transferor Company and all rights and benefits that have accrued or which may accrue to the Residual Transferor Company, whether before or after the Appointed Date, shall, under the provisions of Sections 230 to 232 and all other applicable provisions of the 2013 Act, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to Transferee Company so as to become as and from the Appointed Date, the licenses, permits, quotas, contracts (together with all non-compete covenants), approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of Transferee Company and shall remain valid, effective and enforceable on the same terms and condition and shall be appropriately registered by the relevant statutory authorities in favour of Transferee Company pursuant to this Scheme, in order to facilitate the continuation of operations of the Residual Transferor Company in Transferee Company without any hindrance, on and from the Appointed Date.

11.7. All assets, properties and undertaking of the Residual Transferor Company as on the Appointed Date, whether or not included in the books of the Residual Transferor Company, and all assets and properties which are acquired by the Residual Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the 2013 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 Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the 2013 Act.

11.8. Pursuant to this Scheme, all benefits, entitlements and incentives of any nature whatsoever

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(including sales tax/ goods and service tax concessions and incentives), to the extent statutorily available, shall be claimed by Transferee Company and without the imposition of any fees, charges, taxes or levy. Such benefits shall relate back to the Appointed Date as if Transferee Company was originally entitled to such benefits, subject to compliance by the Transferee Company with all the terms and conditions upon which such benefits were made available to the Residual Transferor Company.

11.9. Upon the transfer of each of the permissions, approvals, consents, sanctions, remissions, special reservations, sales tax / goods and service tax remissions, tax exemptions and benefits, incentives, concessions and other or similar authorisations of the Residual Transferor Company to Transferee Company pursuant to the order of the NCLT. Transferee Company shall file the relevant notifications and communications, if any required, for the record of the appropriate authorities which shall take them on record.

Transfer of Liabilities

11.10. Upon the coming into effect of this Scheme and with effect from the Appointed Date, all debts, liabilities, duties and obligations of the Residual Transferor Company, shall, pursuant to the order of the NCLT made under Sections 232 or 232 of the 2013 Act, without any further act or deed, be transferred or deemed to be transferred to and vested in and assumed by Transferee Company so as to become the debts, liabilities, duties and obligations of Transferee Company. 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 Clause.

11.11. All debts, liabilities, duties and obligations of the Residual Transferor Company as on the Appointed Date, whether or not provided in the books of the Residual Transferor Company, and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Residual Transferor Company on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by Transferee Company by virtue of this Scheme.

11.12. Where any such debts, loans raised, liabilities, duties and obligations of the Residual Transferor Company as on the Appointed Date have been discharged or satisfied by the Residual Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of Transferee Company.

11.13. All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by the Residual Transferor Company in the ordinary course of its business after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used,

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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 230 to 232 of the 2013 Act, without any further act, instrument or deed be and stand transferred to and vested in or be deemed to have been transferred to and vested in Transferee Company and shall become the loans and liabilities, duties and obligations of Transferee Company which shall meet, discharge and satisfy the same.

11.14. 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 in future become due between the Residual Transferor Company and 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 appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations with effect from the Appointed Date.

Encumbrances

11.15. The transfer and vesting of the properties, assets, liabilities and undertakings of the Residual Transferor Company to and in Transferee Company under Clause 11 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.

11.16. All the existing securities, mortgages, charges, encumbrances or liens (the '<u>Encumbrances</u>'), if any, as on the Appointed Date and created by the Residual Transferor Company after the Appointed Date, over the properties, assets, undertakings or any part thereof transferred to Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Residual Transferor Company, the same shall, after the Effective Date, 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 Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of Transferee Company, provided however that no Encumbrances shall have been created by the Residual Transferor Company over their assets after the date of approval of the Scheme by the Board of Directors of the Transferee Company without the prior written consent of the Board of Directors of Transferee Company.

11.17. The existing Encumbrances over the assets and properties of Transferee Company or any part thereof which relate to the liabilities and obligations of Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Residual Transferor Company transferred

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to and vested in the Transferee Company by virtue of this Scheme.

11.18. Any reference in any security documents or arrangements (to which any of the Residual Transferor Company is a party) to any of the Residual Transferor Company and its assets and properties, shall be construed as a reference to Transferee Company and the assets and properties of the Residual Transferor Company transferred to Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Residual Transferor Company and 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(s), with the Registrar of Companies to give formal effect to the above provisions, if required.

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

11.20. It is expressly provided that no other term or condition of the liabilities transferred to Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.

11.21. This Scheme has been drawn up to comply with the conditions relating to "amalgamation" as specified under Section 2(1B) of the Income-Tax Act, 1961. If any terms or provisions of the Scheme is/are inconsistent with the provisions of Section 2(1B) of the Income-Tax Act, 1961, the provisions of Section 2(1B) of the Income-Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(1B) of the Income-Tax Act, 1961, such that the modification to not affect other parts of the Scheme.

Contracts, Deeds, Bonds and Other Instruments

11.22. Upon the coming into effect of this Scheme and subject to the provisions of the Scheme, all memoranda of understanding, contracts, schemes, assurances, licences, insurance policies, guarantees, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Residual Transferor Company is a party or to the benefit of which the Residual Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect against or in favour of the Transferee Company as the case may be, and may be enforced as fully and effectually as if, instead of the Residual Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto. The Transferee Company shall, if so required or becomes necessary, upon the coming into effect of this Scheme enter into and/ or issue and/or execute deeds, writings or confirmations to give effect to the provisions in this Clause.

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12. EMPLOYEES OF RESIDUAL TRANSFEROR COMPANY

12.1. All the staff, workmen, employees or other labor of the Residual Transferor Company who are in its employment as on the Effective Date shall become the staff, workmen, employees or other labor of the Transferee Company with effect from the Appointed Date without any break or interruption in service and on terms and conditions as to employment and remuneration not less favorable than those on which they are engaged or employed by the Residual Transferor Company. It is clarified that the staff, workmen, employees or other labor of the Residual Transferor Company who become staff, workmen, employees or other labor of Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the staff, workmen, employees or other labor of Transferee Company, unless otherwise determined by the Board of Directors of Transferee Company. Transferee Company undertakes to continue to abide by any agreement/ settlement, if any, validly entered into by the Residual Transferor Company with any staff, workmen, employees or other labor of the Residual Transferor Company, recognized by the Residual Transferor Company. After the Effective Date, Transferee Company shall be entitled to vary the terms and conditions as to employment and remuneration of the staff, workmen, employees or other labor of the Residual Transferor Company on the same basis as it may do for the staff, workmen, employees or other labor of Transferee Company.

12.2. The accumulated balances standing to the credit of the transferred employees' provident fund and /or gratuity fund and/or superannuation fund and /or any other retirement fund shall be transferred and credited to the corresponding statutory and/or exempted retirement fund of Transferee Company. The funds shall, subject to the necessary approvals and permissions and at the discretion of Transferee Company, either be continued as separate funds of Transferee Company for the benefit of the employees of the Residual Transferor Company or be transferred to and merged with other similar funds, if any, of Transferee Company. In the event that Transferee Company does not have its own funds in respect of any of the above, Transferee Company may, subject to necessary approvals and permissions, continue to contribute to the relevant funds of the Residual Transferor Company, until such time that Transferee Company creates its own fund, at which time the funds and the investments and contributions pertaining to the employees of the Residual Transferor Company shall be transferred to the funds created by Transferee Company. It is clarified that the services of the employees of the Residual Transferor Company will be treated as having been continuous for the purpose of the said fund or funds.

12.3. For the purpose of Clause 12.2 above, Transferee Company shall stand substituted for the Residual Transferor Company for all purposes whatsoever including the administration or operation of such funds according to the terms provided in the respective trust deeds

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governing such funds. It is the aim and the intent of this Scheme that all rights, duties, powers and responsibilities respectively of Residual Transferor Company in relation to such funds shall become the rights, duties, powers and responsibilities of Transferee Company.

13. CONSIDERATION

13.1. Residual Transferor Company, is a subsidiary of Transferee Company, as IIL is a subsidiary of Transferee Company and Residual Transferor Company is a wholly owned subsidiary of IIL. Accordingly, the Transferee Company shall not issue shares or any other consideration pursuant to the amalgamation of the Resulting Transferor Company with the Transferee Company. Further, upon the coming into effect of the Scheme, all the equity shares and preference shares held by IIL in the Residual Transferor Company shall stand cancelled and the Transferee Company shall not be required to issue its shares in exchange for the shares so cancelled.

13.2. Consequently, the share certificates representing the shares in the Demerged Company shall be cancelled without requirement of any further act or deed for cancellation thereof by the Resulting Company.

14. DISSOLUTION OF RESIDUAL TRANSFEROR COMPANY

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

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

15. CONTINUATION OF LEGAL PROCEEDINGS

15.1. On and from the Appointed Date, all suits, actions, claims and legal proceedings by or against the Residual Transferor Company pending and/or arising on or before the Effective Date shall be continued and / or enforced as desired by the Transferee Company and on and from 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 originally instituted and/or pending and/or arising by or against the Transferee Company.

16. TREATMENT OF TAXES

16.1. Upon the Scheme coming into effect, all taxes / cess / duties paid, payable, received or receivable by or on behalf of the Residual Transferor Company including all or any refunds,

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claims or entitlements as to, if any, shall, for all purposes, be treated as the tax / cess / duty, liabilities or refunds, minimum alternate tax paid and resulting entitlements for set-off, credits of the Transferee Company.

16.2. All tax assessment proceedings/ appeals of whatsoever nature by or against the Residual Transferor Company shall be continued and/ or enforced by the Transferee Company. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the consolidation of the Residual Transferor Company with the Transferee Company or anything contained in the Scheme.

16.3. All compliances with respect to taxes or any other law between the Appointed Date and Effective Date done by the Residual Transferor Company shall, upon the approval of this Scheme, be deemed to have been compiled by the Transferee Company. Without prejudice to the above, upon the Scheme becoming effective, the Transferee Company is also expressly permitted to revise, its income-tax returns, TDS returns, other tax returns, to obtain TDS certificates, including TDS certificates relating to transactions between or amongst the Residual Transferor Company and the Transferee Company, and to claim refunds, advance tax, minimum alternate tax credit and withholding tax credits, benefit of carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.

17. SAVING OF CONCLUDED TRANSACTIONS

17.1. The transfer of properties and liabilities to, and the continuance of proceedings by, or against, Transferee Company as envisaged in Clause 11 and Clause 15 above shall not affect any transaction or proceedings already concluded by the Residual Transferor Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that Transferee Company accepts and adopts all acts, deeds and things done and executed by the Residual Transferor Company in respect thereto as done and executed on behalf of itself.

18. CONDUCT OF BUSINESS

With effect from the Appointed Date and up to and including the Effective Date, the following provisions shall be in force:

18.1. The Residual Transferor Company shall carry on and be deemed to have carried on all its business and activities and shall be deemed to have held and been in possession of and shall hold and be in possession of all the undertaking of the Residual Transferor Company for and on account of and in trust for the Transferee Company.

18.2. All the profits or incomes accruing or arising to the Residual Transferor Company, and all

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expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Residual Transferor Company, shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of the Transferee Company, as the case may be, including for the purpose of taxation.

18.3. All taxes (including income tax, sales tax, excise duty, customs duty, good and service tax, etc.) paid or payable by the Residual Transferor Company in respect of the operations and/or the profits of the business before the Appointed Date, shall be on account of the Residual Transferor Company and, insofar as it relates to the tax payment (including, without limitation, sales tax / goods and service tax, excise duty, custom duty, income tax, service tax, VAT, etc.), whether by way of deduction at source, advance tax, minimum alternate tax credit or otherwise howsoever, by the Residual Transferor Company in respect of the profits or activities or operation of its business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.

18.4. The Residual Transferor Company and/ or the Transferee Company, as the case may be, shall preserve and carry on its business and activities with reasonable diligence and business prudence and shall not, without the prior consent in writing of any of the persons authorised by the Board of Directors of the Residual Transferor Company or the Transferee Company, as the case may be, undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments or sell, transfer, alienate, charge, mortgage, encumber or otherwise deal with its fixed assets or any part thereof, except in the ordinary course of business, or pursuant to any pre-existing obligation(s) undertaken by the Residual Transferor Company and the Transferee Company, as the case may be.

18.5. The Residual Transferor Company and/ or the Transferee Company, as the case may be, shall not, without the prior consent in writing of any of persons authorised by the Board of Directors of the Residual Transferor Company or Transferee Company, as the case may be, make any change in its capital structure, whether by way of increase (by issue of equity shares on rights basis, bonus shares) decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner which may, in any way.

18.6. The Residual Transferor Company and/ or the Transferee Company, as the case may be, shall not, without the prior consent in writing of any of persons authorised by the Board of Directors of the Residual Transferor Company or the Transferee Company, as the case may be, undertake (i) any material decision in relation to its business and affairs and operations (ii) any agreement or transaction (other than an agreement or transaction in the ordinary

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course of business) (iii) any new business, or discontinue any existing business or change the installed capacity of facilities unless already provided in this Scheme.

18.7. The Residual Transferor Company shall not vary the terms and conditions of employment of any of its employees, except in the ordinary course of business or without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by the Residual Transferor Company prior to the Appointed Date.

18.8. The Transferee Company shall be entitled to depute its employees and/or representatives to the office(s) of the Residual Transferor Company to ensure compliance with the provisions of Clauses 18.1 to 18.7 above.

18.9. The Transferee Company shall be entitled, either pending the approval or pursuant to the approval of this Scheme by the NCLT or anytime thereafter, to apply to the Central Government and appropriate State Governments and all other relevant agencies, departments, corporations and authorities as may be necessary for such consents, approvals and sanctions which the Transferee Company may require for the purpose of owning, operating and carrying on the business and activities of the Residual Transferor Company.

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PART D
GENERAL TERMS & CONDITIONS

19. APPLICATION TO NCLT

19.1. Transferor Company, Transferee Company and the Resulting Company shall make all necessary applications under Sections 230 to 232 and other applicable provisions of the 2013 Act to the NCLT for seeking approval of the Scheme and for dissolution of the Residual Transferor Company without being wound up.

20. CONVERSION OF RESULTING COMPANY INTO A PRIVATE COMPANY AND CHANGE IN NAME

20.1. The Resulting Company shall alter its Articles of Association with a view to convert itself into a private limited company.

20.2. The alteration to Articles of Association shall be given effect as an integral part of the Scheme without having the follow separately, the process under section 14 of the 2013 Act. Approval / consent of the shareholders of the Resulting Company to the Scheme and the orders of the NCLT sanctioning the Scheme shall be deemed to be the approval of the shareholders and order of the NCLT under section respectively under Section 14 of the 2013 Act.

20.3. Consequent to the conversion of Resulting Company into private limited company, the Articles of Association of the Resulting Company shall without, any further act, instrument or deed, be and shall stand altered, modified and amended in the manner set out below and would be replaced in the following manner:

a) The word "limited" shall be replaced with "private limited" in the name of the Resulting Company wherever the name of the Resulting Company is appearing in the Articles of Association; and

b) Article 3 shall be replaced with the following clause:

"This Company is a private company within the meaning of section 2(68) of the Act and accordingly:

(i) the right to transfer the Shares is restricted in the manner and to the extent hereinafter appearing;

(ii) the number of Members (exclusive of persons in the employment of the Company and persons who, having been formerly in the employment of the Company, were its Members while in that employment and have continued to be Members after the employment ceased)

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is limited to 200 (two hundred), provided that for the purposes of these provisions when 2 (two) or more Persons jointly hold one or more Shares in the Company, they shall be treated as a single Member; and

(iii) no invitation shall be issued to the public to subscribe for any Securities of the Company."

20.4. The Resulting Company shall file requisite forms with the Registrar of Companies for change of name.

20.5. Upon the Scheme becoming effective and subject to conversion of the Resulting Company into a private limited company in accordance with Clause 20 of this Scheme, the name of the Resulting Company shall be deemed to have been changed from 'Indiabulls Infrastructure Limited' to 'Kosmo One Business Park Private Limited' or any other name that is decided by the Board of the Resulting Company and is made available under the reservation of unique name in accordance with Section 13 of the 2013 Act and other relevant provisions of the 2013 Act, as applicable.

20.6. It shall be deemed that the members of Resulting Company have also resolved and accorded all relevant consents under section 13 of the 2013 Act. It is clarified that there will be no need to pass a separate shareholder's resolution as required under Section 13 of the 2013 Act for amendment of the Memorandum of Association of the Resulting Company as above. Pursuant to this Scheme, Resulting Company shall file requisite forms with the Registrar of Companies for change of name.

21. SEQUENCING OF THE SCHEME ON EFFECTIVE DATE

21.1. On the Effective Date the following shall be deemed to have occurred and become effective and operative only in the sequence and in the order mentioned hereunder:

21.1.1. The demerger of the Demerged Undertaking of the Demerged Company into the Resulting Company; and

21.1.2. the amalgamation of the Residual Transferor Company with the Transferee Company.

22. ACCOUNTING TREATMENT

On the Scheme becoming effective, the Resulting Company and the Transferee Company shall account for the Scheme in its books of account with effect from the Appointed Date in accordance with applicable Indian Accounting Standards notified under the provisions of the 2013 Act.

23. MODIFICATION OR AMENDMENTS TO THE SCHEME

23.1. Transferor Company, Transferee Company and the Resulting Company by their respective

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Boards of Directors (the "Board", which term shall include committee thereof and/or person(s) authorized by the Board or the committee), may assent to/make and/or consent to any modifications/amendments of any kind to the Scheme or to any conditions or limitations that the NCLT and/or any other authority (including SEBI and stock exchanges) under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e. the Board).

23.2. Transferor Company, Transferee Company and the Resulting Company by their respective Board are authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any directive or order 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.

24. CONDITIONALITY OF THE SCHEME

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

24.1. The Scheme being approved by the shareholders' resolution of the Transferee Company passed by way of postal ballot/e-voting after all material facts including the abridged prospectus, fairness opinion, auditors report etc. have been disclosed in the explanatory statement to the notice sent to the shareholders in compliance of Para 9 (a) of the SEBI Circulars.

24.2. The Scheme being approved by the requisite majority in number and value of the various class of shareholders and/or creditors (where applicable) of Transferor Company, Transferee Company and the Resulting Company respectively, as required under the 2013 Act and as may be directed by the NCLT.

24.3. Receipt of approvals of the relevant stock exchanges and SEBI in terms of the SEBI Circulars, if required.

24.4. The Scheme being sanctioned by the NCLT or any other authority under Sections 230 to 232 and other applicable provisions of the 2013 Act. Provided that the Scheme is not withdrawn by the Board of Transferee Company, Resulting Company and Transferor Company before the Scheme is sanctioned by the NCLT.

24.5. Certified copies of the orders of the NCLT sanctioning the Scheme being filed with the concerned Registrar of Companies, by the Transferor Company, Transferee Company and the Resulting Company, if required, respectively.

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24.6. The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if is approved in its entirety unless specifically agreed otherwise by the Board of Directors / committee of / person(s) authorized by the Board and / or committee of Transferor Company, Transferee Company and the Resulting Company.

25. EFFECT OF NON-RECEIPT OF APPROVALS

25.1. In the event of any of the said sanctions and approvals referred to in the Clause 24 not being obtained and/ or the Scheme not being sanctioned by the NCLT or such other competent authority and / or the order not being passed as aforesaid before September 30, 2019 or within such further period or periods as may be agreed upon between Transferor Company, Transferee Company and the Resulting Company by their Boards of Directors (and which the Boards of Directors of the respective companies and/or person(s) authorized by the Board are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled 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 rights and/ or liabilities which might 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.

26. COSTS, CHARGES AND EXPENSES

26.1. All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of Transferor Company, Transferee Company and the Resulting Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company and the Resulting Company in a 50:50 ratio, by itself or through their associate company.

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Schedule I: Description of One Indiabulls Park

Sr. No.	Project owning entity	Name of Project (full description)	Status	Type	FSI sanctioned (Square feet)	Tower
1	ILPL	One Indiabulls Park	Completed	IT Building	15,54,364	A, B and C

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Schedule II: Excluded Assets and Liabilities

Excluded Assets

(a) Principal amount of tax refunds aggregating to Rs 15,20,00,000 (Rupees Fifteen crores twenty lakhs only) and interest thereon, if any; and

(b) Redeemable Preference Shares issued by Indiabulls Constructions Limited and subscribed by India Land and Properties Limited to the extent of Rs. 325,00,00,000 (Rupees Three Hundred Twenty-Five Crores);

Excluded Liabilities

All liabilities, whether crystallized or contingent, which are not reflected in the balance sheet drawn up jointly by the Board of Directors of the Demerged Company and the Resulting Company pursuant to Clause 1.5 of this Scheme pertaining to the period prior to the Appointed Date which arise after the Appointed Date whether or not recorded in the books of accounts of the Demerged Company.

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