ANNEXURE-B

SCHEME OF ARRANGEMENT

BETWEEN

TORRENT POWER LIMITED

AND

TCL CABLES PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTION 230-232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013.

PREAMBLE

This Scheme (as defined hereinafter) is presented under Sections 230 to 232 of the Act (as defined hereinafter) and other relevant provisions of the Act for the transfer and vesting of the Cable Business Undertaking (as defined hereinafter) of Torrent Power Limited, the Transferor Company (as defined hereinafter) to TCL Cables Private Limited, the Transferee Company (as defined hereinafter) with effect from the Appointed Date (as defined hereinafter), as a going concern, on Slump Sale (as defined hereinafter) basis, and for which lump sum consideration shall be paid by the Transferee Company to the Transferor Company on the agreed terms and conditions as set out herein, in accordance with Section 2(42C) of the IT Act (as defined hereinafter) and for matters

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consequential, incidental, supplemental and/or otherwise integrally connected therewith.

A. Description of the Companies

(a) Torrent Power Limited ('Transferor Company' or 'TPL') is a listed company incorporated on 29th April, 2004 under the provisions of Companies Act, 1956 having its registered office at "Samanvay", 600 Tapovan, Ambawadi, Ahmedabad- 380015 in the state of Gujarat and is primarily engaged in the business of electricity generation, transmission and distribution with operations in the states of Gujarat, Maharashtra, Uttar Pradesh and Karnataka. The company was incorporated with the name of Torrent Power Trading Private Limited. Its name was changed to a) Torrent Power Private Limited on 25th January, 2006; and b) Torrent Power Limited on 08th February, 2006. The equity shares of the company are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE").

(b) TCL Cables Private Limited ('Transferee Company' or 'TCPL) is a private company incorporated on 23rd October, 2019 under the provisions of Companies Act, 2013 having its registered office at Yoginagar, Mission Road, Nadiad-387001, Dist. Kheda in the state of Gujarat. The Transferee Company has been incorporated with an object to, inter alia, carry on the business of manufacturing and supply of power cables. The Transferee Company is a wholly owned subsidiary of Transferor Company.

B. Rationale and Purpose of the Scheme

The Transferor Company and the Transferee Company are part of the same group ('Torrent Group') and are owned, controlled and managed by the management of the Torrent Group. To streamline

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the current business structure the management of the said companies are desirous of entering into scheme of arrangement between the Transferor Company and the Transferee Company.

The Transferor Company is inter alia engaged in business of generation, transmission and distribution of electricity and in business of manufacturing and supply of power cables. The proposed arrangement will enable the Transferor Company to provide greater business attention and focus on the business of generation, transmission and distribution of electricity. In addition, the Cable Business Undertaking will be transferred into the Transferee Company to unlock value of the Cable business. The transfer of the Cable Business Undertaking from the Transferor Company to the Transferee Company would *interalia* achieve the following benefits:

- Facilitate each business to be effectively integrated for achieving growth & expansion of each of the verticals independently;
- Enhances management focus and operational flexibility;
- Attribution of appropriate risk and valuation to different businesses based on their respective risk-return profile and cash flows; and

In view of the aforesaid advantages, the Board of Directors of both the Companies have considered and proposed Scheme of Arrangement under the provisions of Section 230 to Section 232 of the Companies Act, 2013. The present Scheme of Arrangement is proposed for the transfer and vesting of the Cable Business Undertaking of the Transferor Company to the Transferee Company as a going concern, on Slump Sale basis in accordance with Section 2(42C) of the IT Act.

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1. DEFINITIONS

In this scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned hereinbelow:

1.1 **"Act"** means the Companies Act, 2013 and rules and regulations made there under as may be applicable, including any statutory modification, re-enactments or amendments thereof;

1.2 **"Applicable Law"** means any statute, law, regulation, ordinance, rule, judgment, rule of law, order, decree, clearance, approval, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any statutory or regulatory authority whether in effect as of the date of this Scheme or thereafter and in each case as amended, in any relevant jurisdiction.

1.3 "**Appointed Date**" means 01st April, 2020;

1.4 **"Board" or "Board of Directors"** means the Board of Directors of TPL and TCPL, as the context may require and includes any committee constituted by the Board of Directors thereof;

1.5 **"Cables Business"** means the business unit of Transferor Company engaged in the manufacture and supply of power cables situated at Yoginagar, Mission Road, Nadiad-387001, Dist. Kheda, Gujarat;

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1.6 **"Cable Business Liabilities"** means all the present, future and contingent liabilities pertaining to Cables Business.

1.7 **"Cable Business Undertaking"** means the Cables Business of the Transferor Company on a going concern basis comprising of assets & liabilities relating thereto (as identified by the Board or Committee of Directors of the Transferor Company), and shall include (without limitation):

a. All the present, future and contingent assets and properties, whether movable and /or immovable (if any) (whether freehold, leasehold or otherwise), tangible or intangible (excluding Torrent trademark and Torrent trade name), including all rights, title and interest in connection with land and buildings thereon whether corporeal or incorporeal, leasehold or otherwise, plant and machinery, fixed or movable, and whether leased or otherwise, capital work-in-progress including expenses incurred to be capitalised and advances for assets, contracts with any party, letters of intent, registrations, engagements, arrangements etc. as on the Appointed Date pertaining to Cables Business of Transferor Company;

b. All the debts, liabilities, duties and obligations including contingent liabilities, past or future, whether secured or unsecured, pertaining to Cables Business of Transferor Company;

c. All agreements, memoranda of agreements/understandings, contracts, arrangements, understandings, engagements, deeds

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and instruments including lease/license agreements, joint development agreements, tenancy rights, equipment purchase agreements, and other agreements with the customers, purchase and other agreements/contracts with the supplier/manufacturer of goods/service providers and all rights, title, interests, claims and benefits thereunder of the Cables Business of Transferor Company;

d. All applications (including hardware, software, licenses, source codes, parameterizations, scripts, registrations, approvals, certificates, permits, entitlements, concessions, exemptions, subsidies, authorizations, trademarks, tradenames, patents, patent rights, copyrights, goodwill, and other intellectual properties (excluding Torrent trademark and Torrent trade name) and rights of any nature whatsoever including know-how, domain names, assignments, rights, import quotas, right to use, income tax benefits and any other exemptions as available under the IT Act and other rights, receivables and liabilities related thereto, privileges, advantages and all other facilities of every kind, nature and description whatsoever pertaining to Cables Business of Transferor Company;

e. All rights to use and avail telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in

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control of or vested in or granted in favour of or enjoyed by the Transferor Company and exclusively and solely pertaining to or in connection with the Cables Business and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company and exclusively and solely pertaining to the Cables Business;

f. All tax related assets, all the credits for taxes such as sales tax, CST, excise duty, customs duty, service tax, CENVAT, GST, tax deduction at source, accumulated losses and unabsorbed depreciation as per books if any as well as per the IT Act enjoyed by the Transferor Company pertaining to the Cables Business;

g. All amounts claimed by the Transferor Company, whether or not so recorded in its books of accounts, from any Governmental Authority, under any law, act, scheme or rule, as refund of any tax, duty, cess or of any excess payment pertaining to Cables Business of Transferor Company;

h. Without prejudice to the generality of the above, Cable Business Undertaking of Transferor Company shall include all movable and immovable assets (if any), cash balances with banks, investments, benefits under bank guarantees, claims, powers, allotments, leasehold rights, brands, sub-letting tenancy rights, with or without the consent of the landlord as may be required by law, loans, advances, contingent rights or benefits, receivables, earnest monies, advances, exemptions and approvals of whatsoever nature (including but not limited to benefits of tax relief including under the IT Act such as credit

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for advance tax, taxes deducted at source, minimum alternate tax, brought forward accumulated tax losses, unabsorbed depreciation, etc.), unutilized deposits or credits, right to use and avail telex, facsimile and other communication facilities and equipment, rights and benefits of all agreements, pending applications and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals etc. pertaining to Cables Business of Transferor Company;

i. All employees engaged in or in relation to Cables Business of Transferor Company as on the Effective Date;

j. All books, records, files, papers, engineering and process information, software licenses, test reports, catalogues, databases including databases for procurement, product registrations, dossiers, product master cards, records of standard operating procedures, computer programmes along with their licenses, drawings, manuals, data, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, other customer information, any pricing information and other records whether in physical or electronic form in connection with or relating to Cables Business of Transferor Company;

k. all legal or other proceedings of whatsoever nature relating to the Cables Business.

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Explanation: Whether any particular asset, liability or employee should be included as asset, liability or employee of Cable Business Undertaking of Transferor Company or otherwise shall be decided mutually by the Board of Directors or any committee thereof of the Transferor Company and the Transferee Company.

1.8 **"Committee of Directors"** means any committee as constituted by the Board of Directors.

1.9 **"Companies"** means the Transferor Company and the Transferee Company.

1.10 **"Effective Date"** means the last of the dates on which all conditions, matters and filings referred to in Clause 19 hereof have been fulfilled and necessary orders, approvals and consents referred to therein have been obtained. References in this Scheme to the date of **"coming into effect of this Scheme"** or "**effectiveness of this Scheme**" shall mean the Effective Date;

1.11 **"Encumbrances"** means any mortgage, charge, pledge, lien, hypothecation, assignment, escrow arrangement, trust arrangement, title retention or other arrangement of any kind having the effect of conferring security or interest or right of any nature whatsoever on the assets of the Company

1.12 **"Governmental Authority"** means the Government Of India, Government of Gujarat or the government of any other state of India or any ministry, department, board, authority, instrumentality, agency, corporation, including but not limited to any person (to the

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extent acting in a legislative, judicial or administrative capacity and not as a contracting party with the Borrower) or regulatory body exercising statutory powers under any Applicable Law under the direct or indirect control of the government or any subdivision of any of them or owned or controlled by the government or any of their subdivisions, or any court, tribunal or judicial body within India.

1.13 **"IT Act"** means the Income-tax Act, 1961 and rules made thereunder and shall include any statutory modification, amendment, or re-enactment thereof for the time being in force;

1.14 **"LODR"** means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

1.15 **"NCLT"** means the National Company Law Tribunal Bench, at Ahmedabad;

1.16 **"Remaining Business"** means all the undertakings, businesses, activities, operations, assets and liabilities of the Transferor Company, other than those comprised in the Cable Business Undertaking;

1.17 **"Scheme"** or "**the Scheme**" or "**this Scheme**" or **"Scheme of Arrangement"** means this scheme of arrangement made under Section 230 to 232 and other relevant provisions of the Act between TPL and TCPL and their respective shareholders and creditors including any modification or amendment hereto, made in accordance with the terms hereof;

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

1.19 **"SEBI Circular"** means, the circular no. CFD/DIL3/CIR/2017/21 dated 10th March 2017 issued by SEBI including any modification or amendment thereto;

1.20 **"Slump Sale"** means the transfer and vesting of Cable Business Undertaking (as defined hereinabove) of Transferor Company to Transferee Company on a going concern and "as-is-where-is" basis for a lump sum consideration, without values being assigned to the individual assets and liabilities.

1.21 **"Transferee Company"** means TCL Cables Private Limited, a company incorporated under the Companies Act, 2013 and having its registered office at Yoginagar, Mission Road, Nadiad-387001, Dist. Kheda in the state of Gujarat;

1.22 **"Transferor Company"** means Torrent Power Limited, a company incorporated under the Companies Act, 1956 and having its registered office at "Samanvay", 600 Tapovan, Ambawadi, Ahmedabad- 380015 in the state of Gujarat;

2. INTERPRETATIONS

i. words denoting singular shall include plural and vice versa and references to any gender includes the other gender;

ii. headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;

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iii. references to the word "include" or "including" shall be construed without limitation;

iv. references to Clauses are to the Clauses of this Scheme;

v. references to the words "hereof", "herein" and "hereunder" and words of similar import shall refer to this Scheme as a whole and not to any particular provision of this Scheme;

vi. reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation;

vii. reference to a document includes an amendment or supplement to, or replacement or novation of, that document;

viii. unless otherwise defined, the reference to the term "days" shall mean calendar days;

ix. word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them;

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

xi. where a wider construction is possible, the words "other" and "otherwise" shall not be construed ejusdem generis with any foregoing words.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT or by

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any Governmental Authority shall be effective from the Appointed Date but shall be operative from the Effective Date.

4. SHARE CAPITAL

4.1 The capital structure of the Transferor Company as on 31st October, 2019, is as under:-

Share Capital	Rupees
Authorized Share Capital	
4,37,00,00,000 Equity shares of Rs. 10/- each	
Total	**43,70,00,00,000**
Issued, subscribed and paid-up Share Capital	
48,06,16,784 Equity shares of Rs. 10/- each fully paid up	
Total	**4,80,61,67,840**

4.2 The capital structure of the Transferee Company as on 2nd November, 2019, is as under:-

Share Capital	Rupees
Authorized Share Capital	
20,00,000 Equity shares of Rs. 10/- each	2,00,00,000
Total	
Issued, subscribed and paid-up Share Capital	
20,00,000 Equity shares of Rs. 10/- each fully paid up	2,00,00,000
Total	

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There is no change in the capital structure of either of the companies after the aforesaid date.

5. TRANSFER AND VESTING OF CABLE BUSINESS UNDERTAKING

Transfer of Assets

5.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Cable Business Undertaking (including all the movable assets, government approvals, licenses, rights, claims, title, interest and authorities including accretions and appurtenances of the Cable Business Undertaking) shall, subject to the provisions of this Clause 5 in relation to the mode of transfer and vesting and pursuant to Section 232(4) of the Act and without any further act or deed, be transferred to and vested in the Transferee Company or be deemed to have been transferred to and vested in the Transferee Company as a going concern basis by way of a Slump Sale, so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest and authorities of the Transferee Company.

Upon the coming into effect of this Scheme and with effect from the Appointed Date, all the immovable assets (if any) of the Cable Business Undertaking, leasehold rights (if any) shall, subject to the provisions of this Clause 5 in relation to the mode of transfer and vesting and pursuant to Section 232(4) of the Act and without any further act or deed, be transferred to and vested in the Transferee Company or be deemed to have been transferred to and vested in the Transferee Company as a going concern basis by way of a Slump Sale, so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest and authorities of the Transferee Company.

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5.2 In respect of such of the assets of the Cable Business Undertaking as are movable in nature or are otherwise capable of transfer by delivery of possession or by endorsement and delivery, the same shall be so transferred by the Transferor Company, upon the coming into effect of this Scheme, and shall become the property of the Transferee Company as an integral part of the Cable Business Undertaking with effect from the Appointed Date pursuant to the provisions of Section 232 of the Act without requiring any deed or instrument of conveyance for transfer of the same.

5.3 In respect of the movables other than those dealt with in Clause 5.2 above, including sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority, quasi-governmental authority, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company without any notice or other intimation to the debtors (although the Transferee Company may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositee, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in the Transferee Company).

5.4 In respect of such of the assets belonging to the Cable Business Undertaking other than those referred to in Clauses 5.2 and 5.3 above, the same shall, as more particularly provided in Clause 5.1 above, without any further act, instrument or deed, be transferred to and vested in and be deemed to have been transferred to and vested

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in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230-232 of the Act. For the purpose of giving effect to the vesting order passed under Section 232 of the Act in respect of the Scheme, the Transferee Company shall be entitled to exercise all the rights and privileges and be liable to pay all taxes and charges and fulfil all its obligations, in relation to or applicable to all such immovable properties (if any), including mutation and/or substitution of the title to, or interest in the immovable properties, if applicable, which shall be made and duly recorded by the Governmental Authority(ies) in favour of the Transferee Company pursuant to the sanction of the Scheme by the NCLT and upon the effectiveness of this Scheme in accordance with the terms hereof without any further act or deed to be done or executed by the Transferor Company and/or the Transferee Company. It is clarified that the Transferee Company shall be entitled to engage in such correspondence and make such representations, as may be necessary for the purposes of the aforesaid mutation and/or substitution.

5.5 Notwithstanding any provision to the contrary, from the Effective Date and until the owned properties, leasehold properties and related rights thereto, license/right to use the immovable property, tenancy rights, liberties and special status in relation to the Cable Business Undertaking are transferred, vested, recorded, effected and/or perfected, in the record of the Governmental Authority(ies), in favour of the Transferee Company, the Transferee Company is deemed to be authorised to carry on the business in the name and style of the Transferor Company under the relevant agreement, deed, lease and/or license, as the case may be, and the Transferee Company shall keep a record and/or account of such transactions.

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5.6 All assets, rights, title, interest and investments of the Transferor Company in relation to the Cable Business Undertaking shall also, without any further act, instrument or deed stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230-232 of the Act.

5.7 Without prejudice to the generality of the foregoing, upon the effectiveness of this Scheme, the Transferee Company will be entitled to all the intellectual property rights (excluding Torrent trademark and Torrent trade name) of the Transferor Company in relation to the Cable Business Undertaking. The Transferee Company may take such actions as may be necessary and permissible to get the same transferred and/or registered in the name of the Transferee Company.

5.8 Any assets acquired by the Transferor Company after the Appointed Date but prior to the Effective Date pertaining to the Cable Business Undertaking shall upon the coming into effect of this Scheme also without any further act, instrument or deed stand transferred to and vested in or be deemed to have been transferred to or vested in the Transferee Company upon the coming into effect of this Scheme.

5.9 For the avoidance of doubt, upon the coming into effect of this Scheme, all the rights, title, interest and claims of the Transferor Company in any leasehold/licensed properties in relation to the Cable Business Undertaking shall, pursuant to Section 232 (4) of the Act, be transferred to and vested in or be deemed to have been

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transferred to and vested in the Transferee Company automatically without requirement of any further act or deed.

5.10 On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company, in relation to or in connection with the Cable Business Undertaking, and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in relation to or in connection with the Cable Business Undertaking of the Transferor Company, in the name of the Transferor Company in so far as may be necessary until the transfer of rights and obligations of the Cable Business Undertaking to the Transferee Company under this Scheme have been formally given effect to under such contracts and/or transactions.

5.11 For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date and till such time that the name of bank accounts of the Transferor Company, in relation to or in connection with the Cable Business Undertaking, has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank account of the Transferor Company, in relation to or in connection with the Cable Business Undertaking, in the name of the Transferor Company in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment, bills presented for discounting, which is in the name of the Transferor Company, in relation to or in connection with the Cable Business Undertaking, after the Effective Date shall be accepted by the bankers of the Transferee Company

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and credited to the account of the Transferee Company, if presented by the Transferee Company. The Transferee Company shall be allowed to maintain bank accounts in the name of the Transferor Company for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company, in relation to or in connection with the Cable Business Undertaking. It is hereby expressly clarified that any legal proceedings by or against the Transferor Company, in relation to or in connection with the Cable Business Undertaking, in relation to the cheques and other negotiable instruments, payment orders received or presented for encashment, which is in the name of the Transferor Company shall be instituted, or as the case may be, continued by or against and in the name of the Transferee Company after the coming into effect of this Scheme.

5.12 All permits, licenses, permissions, approvals received from Governmental Authorities, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, subsidies, liberties and advantages including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that pertain exclusively and solely to the Transferor Company in relation to the Cables Business Undertaking, shall stand vested in the Transferee Company without any further act, instrument or deed, upon the sanction of the Scheme and upon this Scheme becoming effective.

Transfer of Liabilities

5.13 Upon the coming into effect of this Scheme, all debts, liabilities, loans raised and used, obligations incurred, duties of any kind,

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nature or description (including contingent liabilities which arise out of the activities or operations of the Cable Business Undertaking) of the Transferor Company as on the Appointed Date and relatable to the Cable Business Undertaking shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Transferee Company to the extent that they are outstanding as on the Effective Date and shall become the debts, liabilities, loans, obligations and duties of the Transferee Company which shall meet, discharge and satisfy the same.

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

5.15 Upon the coming into effect of this Scheme, all loans raised and used and all debts, liabilities, duties and obligations incurred by the Transferor Company for the operations of the Cable Business Undertaking with effect from the Appointed Date and prior to the Effective Date, subject to the terms of this Scheme, shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to and be deemed to be transferred to the Transferee Company and shall become the loans, debts, liabilities, duties and obligations of the Transferee Company.

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5.16 In so far as the existing Encumbrances in respect of the Cable Business Liabilities are concerned, such Encumbrances shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in the Cable Business Undertaking which has been Encumbered in respect of the Cable Business Liabilities as transferred to the Transferee Company pursuant to this Scheme. Provided that if any of the assets comprised in the Cable Business Undertaking which are being transferred to the Transferee Company pursuant to this Scheme have not been Encumbered in respect of the Cable Business Liabilities, such assets shall remain unencumbered and the existing Encumbrances referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.

5.17 For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Business are concerned, the Encumbrances over such assets relating to the Cable Business Liabilities shall, as and from the Effective Date without any further act, instrument or deed be released and discharged from the obligations and Encumbrances relating to the same. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above. Further, in so far as the assets comprised in the Cable Business Undertaking are concerned, the Encumbrances over such assets relating to any loans, borrowings or other debts or debt securities which are not transferred pursuant to this Scheme (and which shall continue with the Transferor Company), shall without any further act or deed be released from such Encumbrances and shall no longer be available as security in relation to such liabilities.

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5.18 Without prejudice to the provisions of the foregoing Clauses and upon the effectiveness of this Scheme, the Transferor Company and the Transferee Company shall execute any instrument(s) and/or document(s) and/or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the registrar of companies to give formal effect to the above provisions, if required.

5.19 Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the Cable Business Liabilities, which have been transferred to it in terms of this Scheme, and the Transferor Company shall not have any obligations in respect of such Cable Business Liabilities.

5.20 It is expressly provided that, save as mentioned in this Clause, no other term or condition of the liabilities transferred to the Transferee Company as part of the Scheme is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.

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

6. CONSIDERATION

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6.1 Upon the Scheme becoming effective and upon transfer and vesting of the Cable Business Undertaking of Transferor Company in Transferee Company pursuant to the Slump Sale as stated herein, Transferee Company shall discharge the lump sum consideration payable by it to Transferor Company as under:

INR 214.50 crores payable by way of cash consideration.

The aforesaid amount payable by way of cash consideration shall be subject to Working Capital Adjustments. For the purpose of this clause, "Working Capital Adjustments" shall be computed as under:

a. If the Working Capital as on Appointed Date is more than the Working Capital as on Cut-off Date, then the difference shall be added to the amount of cash consideration

b. If the Working Capital as on Appointed Date is less than the Working Capital as on Cut-off Date, then the difference shall be reduced from the amount of cash consideration

"Working Capital as on Cut-off Date" means Rs. 156.54 crores as on 30th September 2019.

6.2 Till such time the Transferee Company discharges its obligation to pay the consideration as per Clause 6.1, such amount shall remain as business consideration payable by the Transferee Company to the Transferor Company. The Transferee Company shall pay interest on the outstanding balance of such amount of business consideration payable at the rate of interest and the terms and conditions as may be determined from time to time by the Committee of Directors of the

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Transferor Company and the Board of Directors of the Transferee Company.

6.3 The approval of this scheme by the shareholders of the Transferor Company and the Transferee Company under Section 230 to 232 of the Act shall be deemed to be the approval under applicable provisions of the Act and any other consents and approvals required in this regard.

7. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEREE COMPANY

Notwithstanding anything to the contrary contained in any other clause in the Scheme, the Transferee Company shall account for the transfer of the Cable Business Undertaking in its books of accounts in accordance with Indian Accounting Standard 103, Business Combinations and other applicable accounting principles as prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as notified under Section 133 of the Companies Act, 2013, as may be amended from time to time.

8. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEROR COMPANY

Notwithstanding anything to the contrary contained in any other clause in the Scheme, the Transferor Company shall account for the transfer of the Cable Business Undertaking in its books of accounts in accordance with applicable accounting principles as prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as notified under Section 133 of the Companies Act, 2013, as may be amended from time to time.

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Further, transferor Company shall derecognise assets and liabilities of Cable Business Undertaking from the Appointed Date.

9. CONDUCT OF BUSINESS OF CABLE BUSINESS UNDERTAKING AFTER APPOINTED DATE UNTIL THE EFFECTIVE DATE

9.1 The Transferor Company, in respect of the Cable Business Undertaking, shall carry on and be deemed to have been carrying on the business and activities and shall stand possessed of and hold all of its properties and assets for and on account of and in trust for Transferee Company.

9.2 The Transferor Company hereby undertakes to hold Cable Business Undertaking transferred with utmost prudence until the Effective Date.

9.3 The Transferor Company in respect of the Cable Business Undertaking shall carry on the business and activities with reasonable diligence, business prudence and shall not without the prior written consent of the Transferee Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose off the Cable Business Undertaking or any part thereof except in respect of activities in the ordinary course of business nor shall it undertake any new businesses within the Cable Business Undertaking or a substantial expansion of the Cable Business Undertaking;

9.4 With effect from the Appointed Date, all the profits or income accruing or arising to the Transferor Company in respect of the Cable Business Undertaking or expenditure or losses arising to or incurred by the Transferor Company in respect of the Cable

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Business Undertaking, shall for all purposes and intents be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses, as the case may be, of Transferee Company;

9.5 The Transferor Company shall not vary the terms and conditions of service of the employees or conclude settlements with unions or employees related to Cable Business Undertaking, except in the ordinary course of business or consistent with past practice or pursuant to any pre-existing obligation without the prior written consent of the Board of Directors of Transferee Company.

9.6 The Transferor Company shall not vary the terms and conditions of any agreements or contracts in relation to the Cable Business Undertaking, except in the ordinary course of business or without the prior consent of the Board of Directors of Transferee Company, or pursuant to any pre-existing obligation undertaken by them, as the case may be.

9.7 The Transferor Company and the Transferee Company shall be entitled, pending sanction of the Scheme, to apply to the Central/State Government and all other agencies, departments and authorities concerned as are necessary under any Applicable Law or rules for such consents, approvals and sanctions, which may be required pursuant to this Scheme.

9.8 The transfer and vesting of the assets, liabilities and obligations of the Cable Business Undertaking and the continuance of the proceedings by or against the Transferee Company under this Scheme shall not affect any transaction or proceedings already

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completed by the Transferor Company on or before the Appointed Date and the Transferee Company accepts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company as acts, deeds and things done and executed by and on behalf of the Transferee Company.

10. REMAINING BUSINESS OF TRANSFEROR COMPANY

10.1 The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Transferor Company.

10.2 All legal, taxation or other proceedings by or against the Transferor Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of the Transferor Company in respect of the Remaining Business) shall be continued and enforced by or against the Transferor Company after the Effective Date, which shall keep the Transferee Company fully indemnified in that behalf.

10.3 If proceedings are taken against the Transferee Company in respect of the matters referred to in Clause 10.2 above, it shall in consultation with the Transferor Company get such proceedings transferred in the name of the Transferor Company. Also, if such transfer is not possible by any reason whatsoever, it shall defend the same in accordance with the advice of the Transferor Company and at the cost of the Transferor Company, and the later shall reimburse and indemnify the Transferee Company against all liabilities and obligations incurred by the Transferee Company in respect thereof.

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10.4 Up to, on and after the Effective Date:

(i) the Transferor Company shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Business for and on its own behalf and in its own name and on its own account;

(ii) all profits accruing to the Transferor Company or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Remaining Business shall, for all purposes, be treated as the profits or losses, as the case may be, of the Transferor Company; and

(iii) all assets and properties acquired by the Transferor Company in relation to the Remaining Business on and after the Appointed Date shall belong to and continue to remain vested in the Transferor Company.

11. LEGAL PROCEEDINGS

11.1 All legal proceedings, of whatsoever nature by or against the Transferor Company pending and/or arising after Appointed Date but before the Effective Date and relating to the Cable Business Undertaking, shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against and be transferred in the name of the Transferee Company, in the same manner and to the same extent as would or might have been continued and enforced by or against the Cable Business Undertaking of Transferor Company.

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11.2 It is hereby expressly clarified that any legal proceedings by or against the Transferor Company in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company and pertaining to the Cables Business Undertaking shall be instituted, or as the case may be, continued, by or against, the Transferee Company after the coming into effect of the Scheme.

11.3 The Transferee Company undertakes to have all respective legal or other proceedings initiated by or against the Transferor Company referred to in clause 11.1 above relating to Cable Business Undertaking, transferred into its name and to have the same continued, prosecuted and enforced by or against the Transferee Company as the case may be, to the exclusion of the Transferor Company.

11.4 If any proceedings are initiated against the Transferor Company in respect of the matters referred to in Clause 11.1 above, it shall have the same transferred in the name of Transferee Company. If such transfer is not possible for any reason whatsoever, then the Transferor Company shall defend the same in accordance with the advice of the Transferee Company and at the cost of the Transferee Company, and the latter shall reimburse and indemnify the Transferor Company against all liabilities and obligations incurred by the Transferor Company in respect thereof.

12. CONTRACTS, DEEDS, ETC.

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12.1 Notwithstanding anything to the contrary contained in any contract, deed, bond, agreement or any other instrument, but subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, undertakings, schemes, arrangements or other instruments, if any, of whatsoever nature and subsisting or having effect on the Effective Date and relating to the Cable Business Undertaking, shall continue in full force and effect against or in favour of the Transferee Company and may be enforced effectively by or against Transferee Company as fully and effectually as if, instead of Transferor Company, Transferee Company had been a party thereto.

12.2 The Transferee Company at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under Applicable Law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement, with respect to Cable Business Undertaking, to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.

12.3 Without prejudice to the aforesaid, it is clarified that if any contract, deeds, bonds, undertakings, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Cable Business Undertaking which the Transferor Company owns or to

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which the Transferor Company is a party to, cannot be transferred to the Transferee Company for any reason whatsoever, the Transferor Company shall hold such asset or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Transferee Company, insofar as it is permissible so to do, till such time as the transfer is affected.

12.4 For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that:-

(a) All the licenses, permits, quotas, approvals (including, but not limited to, environmental approvals, statutory and regulatory approvals), no-objection certificates, incentives, permissions, registrations, tax exemptions, accumulated tax losses, tax benefits including benefits under Chapter VI-A of IT Act, concessions or deferrals, subsidies, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, special status and other benefits or privileges enjoyed or conferred upon or held or availed by and all rights and benefits that have accrued or may accrue to Transferor Company before or after the Appointed Date and prior to the Effective Date in connection with or in relation to the operation of the Cables Business Undertaking of the Transferor Company, pursuant to the provisions of Section 232 (4) of the Act and all other applicable provisions, if any, shall without any further act, instrument or deed, cost or charge, be transferred to and vest in or be deemed to have been transferred to and vested in and be available to Transferee Company so as to become on and from the Appointed Date the licenses, permits, quotas, approvals (including, but not limited to, environmental approvals, statutory and regulatory approvals), no-objection

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certificates, incentives, permissions, registrations, tax exemptions, accumulated tax losses, tax benefits including benefits under Chapter VI A of IT Act, concessions or deferrals, subsidies, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, special status and other benefits or privileges of Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in law;

(b) Upon the Effective Date and until the licenses, permit, quotas, approvals, (including, but not limited to, environmental approvals, statutory and regulatory approvals), no-objection certificates, incentives, permissions, registrations, tax exemptions, accumulated tax losses, tax benefits including benefits under Chapter VI A of IT Act, concessions or deferrals, subsidies, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes, special status are transferred, vested, recorded effected and / or perfected, in the record of the Governmental Authority, in favour of Transferee Company, Transferee Company is authorized to carry on business in the name and style of Transferor Company and under the relevant license and or permit and or approval, as the case may be, and Transferee Company shall keep a record and/or account of such transactions, as if the Cables Business Undertaking of the Transferor Company has not been transferred.

13. STAFF, WORKMEN & EMPLOYEES

13.1 Upon the coming into effect of this Scheme, all employees of the Transferor Company engaged in or in relation to the Cable Business Undertaking, and who are in such employment as on the Effective Date shall become the employees of Transferee

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Company from Appointed Date or their respective joining date, whichever is later and, subject to the provisions of this Scheme, on terms and conditions not less favorable than those on which they are engaged by the Transferor Company and without any interruption of or break in service as a result of the transfer of the Cable Business Undertaking.

13.2 In so far as the existing provident fund, gratuity fund and pension and/or superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Transferor Company for the employees related to the Cable Business Undertaking, (collectively referred to as the "Funds"), the Funds and such of the investments made by the Funds which are referable to the employees related to the Cable Business Undertaking, being transferred to Transferee Company, in terms of the Scheme shall be transferred to Transferee Company and shall be held for their benefit pursuant to this Scheme in the manner provided hereinafter. 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 related to the Cable Business Undertaking, or be transferred to and merged with other similar funds 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 relevant funds of Transferor Company, until such time that Transferee Company creates its own fund, at which time the Funds, the investments and contributions pertaining to the employees related to the Cable Business Undertaking, shall be transferred to the funds created by Transferee Company. Subject to the Applicable Law, rules and regulations applicable to the Funds, the Board of

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Directors or any committee thereof of the Transferor Company and the Transferee Company may decide to continue to make the said contributions to the Funds of the Transferor Company. It is clarified that the services of the employees of the Cable Business Undertaking will be treated as having been continuous and not interrupted for the purpose of the said Fund or Funds.

13.3 Any question that may arise as to whether any employee belongs to or does not belong to the Cable Business Undertaking shall be decided by the Committee of Directors or Board of Directors thereof of the Transferor Company and the Transferee Company respectively.

14. TAXATION MATTERS

Notwithstanding anything to the contrary contained in this Scheme, upon effectiveness of this Scheme:

14.1 The Transferee Company will be the successor of the Transferor Company vis-à-vis the Cable Business Undertaking. Hence, it will be deemed that the benefits under Applicable Laws relating to Tax ("Tax Laws") availed vis-à-vis the Cable Business Undertaking and the obligations if any for payment under Tax Laws on any assets forming part of the Cable Business Undertaking shall be deemed to have been availed by the Transferee Company or deemed to be the obligations of the Transferee Company, as the case may be. Consequently, as the Scheme does not contemplate removal of any asset by Transferee Company from the premises in which it is installed, no reversal of any tax credit needs to be made or is required to be made by Transferor Company.

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14.2 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess payable/receivable by Transferor Company relating to the Cable Business Undertaking, including all or any refunds/credit/claims relating thereto shall be treated as the asset/liability or refunds/credit/claims, as the case may be, of the Transferee Company. Upon effectiveness of the Scheme, the payment of any Tax, whether by way of deduction at source, or otherwise howsoever, by the Transferor Company in respect of the activities or operations of the Cables Business Undertaking on and from the Appointed Date, shall be deemed to have been paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.

14.3 Any Tax incentives, subsidies, exemptions, special status, tax benefits (including but not limited to export incentives, credits/ incentives in respect of income tax, sales tax, CST, value added tax, customs duty, excise duty, GST, turnover tax, excise duty, service tax etc.), duty drawbacks, and other benefits, credits, exemptions or privileges enjoyed, granted by a Governmental Authority or availed of by the Transferor Company shall, without any further act or deed, in so far as they relate to or are available for the operation and activities of the Cables Business Undertaking on or after the Appointed Date, vest with and be available to Transferee Company on the same terms and conditions, as if the same had been allotted and / or granted and / or sanctioned and / or allowed to the Transferee Company.

14.4 Notwithstanding anything contained in this clause, the Transferor Company shall be liable for any tax payable under the IT Act and shall be entitled to any refunds under the IT Act, which, in each

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case, arise from the operation or activities of the Cables Business Undertaking prior to the Appointed Date, regardless of whether such payments or receipts are provided or recorded in the books of the Transferor Company and whether such payments or receipts are due or realized on, before or after the Appointed Date and the Transferee Company shall be liable for any tax payable under the IT Act and shall be entitled to refunds under the IT Act, which, in each case, arise from the operation or activities of the Cables Business Undertaking on or after the Appointed Date, regardless of whether such payments or receipts are provided or recorded in the books of the Transferor Company and whether such payments or receipts are due or realized on, before or after the Appointed Date.

14.5 The Transferor Company and the Transferee Company shall be entitled to, amongst others, file/ revise its income-tax returns, TDS certificates, TDS / TCS returns, GST returns, wealth tax returns, service tax returns, sales tax returns, value added tax returns, excise duty returns, customs duty returns, CST returns, entry tax, cess, professional tax and other statutory returns, if required, claim credit for tax deducted at source, claim for sum prescribed under section 43B of the IT Act on payment basis, claim for deduction of provisions written back by the Transferor Company and the Transferee Company previously disallowed in the hands of the Transferor Company and the Transferee Company (relating to the Cables Business Undertaking) respectively under the IT Act, credit of foreign taxes paid/withheld, if any, pertaining to the Transferor Company and the Transferee Company (relating to the Cables Business Undertaking) as may be required consequent to implementation of this Scheme and wherever necessary to give effect to this Scheme,

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even if the prescribed time limits for filing or revising such returns have lapsed without incurring any liability on the Transferor Company or Transferee Company. The Transferor Company and the Transferee Company shall also be entitled to, amongst others, obtain TDS certificates, including TDS certificates relating to transactions between or amongst the Transferor Company and the Transferee Company and shall have the right to claim refunds, advance Tax credits, input Tax credit, CENVAT credits, credits of all Taxes paid/ withheld, if any, as may be required consequent to implementation of this Scheme.

14.6 Any actions taken by the Transferor Company to comply with Applicable Laws (including payment of taxes, maintenance of records, payments, returns, Tax filings, etc.) in respect of the Cables Business Undertaking on and from the Appointed Date up to the Effective Date shall be considered as adequate compliance by the Transferor Company with such requirements under Tax Laws and such actions shall be deemed to constitute adequate compliance by the Transferee Company with the relevant obligations under such Tax Laws.

14.7 Any unutilized GST credits pertaining to the Cables Business Undertaking and available in the electronic input GST credit ledger of Transferor Company maintained by GSTN duly reconciled with Transferor Company's books of accounts, shall, notwithstanding anything contained in this Clause, be transferred by the Transferor Company to the Transferee Company in accordance with Applicable Laws. The Transferor Company and Transferee Company shall take such actions as may be necessary under Applicable Law to effect such transfer. GST credits and GST

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Liability pertaining to the activities or operations of the Cables Business Undertaking between the Appointed Date and the Effective Date shall, notwithstanding anything contained in this Clause be dealt with in accordance with Applicable Laws.

14.8 If the Transferor Company makes any payment to discharge any liabilities under Applicable Law that relate exclusively or predominantly to the activities or operations of the Cables Business Undertaking on or after the Appointed Date, the Transferee Company shall promptly pay or reimburse the Transferor Company for such payment.

15. TREATMENT OF THE SCHEME FOR THE PURPOSES OF IT ACT

The Scheme has been drawn up to comply with the conditions relating to "Slump Sale" as specified under Section 2(42C) of the IT Act. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at a later date including resulting from an amendment of Applicable Law or for any other reason whatsoever, the provisions of the said section shall prevail and the Scheme shall stand modified to the extent necessary to comply with the Section 2(42C) of the IT Act. Such modification will however not affect other parts of the Scheme.

16. WITHDRAWAL OF SCHEME

The Transferor Company and the Transferee Company shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the Committee of Directors and Board of Directors of the Transferor

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Company and the Transferee Company respectively prior to the Effective Date. In such a case, the Transferor Company and the Transferee Company shall respectively bear their own cost or as may be mutually agreed. It is hereby clarified that except as otherwise agreed by the Transferor Company and Transferee Company in writing, the Transferor Company and the Transferee Company shall not be entitled to withdraw the Scheme unilaterally without the prior written consent of the other Company.

17. APPLICATIONS TO NCLT

17.1 Transferor Company and Transferee Company shall, with all reasonable dispatch, make necessary applications before the NCLT, for seeking order for dispensing with or convening, holding and conducting of meeting of the members and/or creditors of the Transferor Company and Transferee Company, as may be directed by the NCLT.

17.2 On the Scheme being approved by the requisite majorities of the members and / or creditors of the Transferor Company and Transferee Company whether at a meeting or otherwise, as prescribed under the Applicable Law and / or as directed by the NCLT, Transferor Company and Transferee Company shall, with all reasonable dispatch, apply to the NCLT for sanctioning of the Scheme under Section 230 to 232 of the Act, and for such other order or orders, as the NCLT may deemed fit for carrying this Scheme into effect.

18. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

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18.1 Transferor Company and Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize including any committee or sub-committee thereof, may make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the NCLT may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. Transferor Company and Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize including any committee or sub-committee thereof, shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith. In case, post approval of the Scheme by the NCLT, there is any confusion in interpreting any clause of this Scheme, or otherwise, Board of Directors of Transferor Company and Transferee Company will have complete power to take the most sensible interpretation so as to render the Scheme operational.

18.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Board of Directors of Transferor Company and Transferee Company including any Committee or sub-committee thereof or through their authorised representative(s) may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case

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may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

19. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

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

19.1 Obtaining observation letter or no-objection letter from the Stock Exchanges by the Transferor Company in respect of the Scheme, pursuant to Regulation 37 of the LODR read with SEBI Circular and Regulations 11 and 94 of the LODR;

19.2 The Scheme being approved by respective requisite majorities in numbers and value of such classes of persons including the member and creditors of the companies as may be directed by the NCLT;

19.3 The Scheme being sanctioned by the NCLT under Section 230 to 232 of the Act; and

19.4 Certified Copies of the Order of the NCLT sanctioning this Scheme being filed with the Registrar of Companies, Gujarat.

20. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS

In the event of any of the said sanctions and approvals referred to in above clause not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by NCLT and/or order or orders not being passed as aforesaid, this Scheme shall

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stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se between the Transferor Company and Transferee Company or their respective shareholders or creditors or employees or any other person and save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the Applicable Law and in such case, each party shall bear its own costs unless otherwise mutually agreed.

21. COSTS, CHARGES & EXPENSES

All costs, charges and expenses including stamp duty and registration fee of any deed, document, instrument or NCLT's order including this Scheme or in relation to or in connection with negotiations leading up to the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of arrangement in pursuance of this Scheme shall be borne in the manner as may be mutually agreed to between the Board of Directors of Transferor Company and Transferee Company.

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