ANNEXURE-D

SCHEME OF AMALGAMATION

(UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013)

BETWEEN

ONGC MANGALORE PETROCHEMICALS LIMITED AND

MANGALORE REFINERY AND PETROCHEMICALS LIMITED AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

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PART–I

1. OVERVIEW, OBJECTIVES AND BENEFITS OF THIS SCHEME

1.1 Overview of each company

1.1.1 ONGC Mangalore Petrochemicals Limited (**"Transferor Company"**):

(i) The Transferor Company is an unlisted public limited company incorporated under the 1956 Act (defined below), having its registered office at Mangalore Special Economic Zone, Permude, Mangalore, Karnataka 574 509. The CIN of the Transferor Company is U40107KA2006GOI041258.

(ii) The Transferor Company is a wholly owned subsidiary of the Transferee Company and is a Government Company (defined below).

(iii) The Transferor Company is primarily engaged in developing and operating a green field petrochemical project consisting of an aromatic complex situated in Mangalore Special Economic Zone for production of primarily Para-xylene and Benzene.

1.1.2 Mangalore Refinery and Petrochemicals Limited (**"Transferee Company"**):

(i) The Transferee Company is a listed public limited company incorporated under the 1956 Act, having its registered office at Mudapadav, Kuthethoor P.O., Via Katipalla, Mangalore, Karnataka 575 030. The CIN of the Transferee Company is L23209KA1988GOI008959.

(ii) The Transferee Company is a Government Company and a Miniratna category 1 public sector undertaking, and is classified as a Schedule 'A' central public sector enterprise by the Department of Public Enterprises.

(iii) The Transferee Company is primarily engaged in operating an oil refinery located in Mangalore for processing of crudes.

(iv) The equity shares of the Transferee Company are listed on the Stock Exchanges (defined below).

1.2 Objectives, Overview and Benefits of this Scheme

1.2.1 It is proposed through this Scheme (defined below) to amalgamate ONGC Mangalore Petrochemicals Limited into and with Mangalore Refinery and Petrochemicals Limited pursuant to and under the provisions of Sections 230 to 232 of the 2013 Act (defined below) and the other relevant provisions made under the 2013 Act.

1.2.2 This Scheme is segregated into the following five (5) parts:

(i) Part-I sets-forth the overview, objectives and benefits of this Scheme;

(ii) Part-II sets-forth the capital structure of the Transferor Company and the Transferee Company and also deals with the amendment to the "Main Objects" of the Transferee Company and change in authorised share capital of the Transferee Company;

(iii) Part-III deals with the amalgamation of the Transferor Company into and with the Transferee Company, in accordance with Section 2(1B) of the Income Tax Act, 1961

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and Sections 230 to 232 of the 2013 Act and matters pertaining to the interim conduct of the Transferee Company;

(iv) Part-IV deals with cancellation of shares and CCDs, and the accounting treatment in the books of the Transferee Company pursuant to and in terms of this Scheme; and

(v) Part – V deals with the general terms and conditions applicable to this Scheme.

1.2.3 The benefits of this Scheme and the proposed amalgamation of the Transferor Company into and with Transferee Company are given below:

(i) the petrochemical project of the Transferor Company was conceptualized as a value addition project, utilizing the naphtha and aromatic feed envisaged to be generated by the oil refinery of the Transferee Company, and in light of such strong existing interlink, the proposed integration of the petrochemical project of the Transferor Company with the oil refinery of the Transferee Company will create greater synergies between the business operations of both the companies and will maximise returns to the entire group;

(ii) the proposed integration is: (a) in line with global trend of aromatics plants being operated on integrated basis with refineries with a view to provide higher returns for stakeholders, adding value to refinery product streams and flexibility to refinery to optimize its GRM; (b) likely to generate higher value to the entire group as the Transferee Company would then consider enhancing feedstock and entire fuel requirement of the petrochemical unit to allow for optimal utilization of the capacity; and (c) help optimization of both the plants to maximise combined margins of refinery and petrochemicals in tune with market dynamics;

(iii) optimal utilisation of resources due to pooling of management, administrative and technical skills of various resources of both the companies, better administration, and cost reduction, including reduction in managerial, administrative and other common costs;

(iv) better alignment, coordination and streamlining of day to day operations of both the companies, leading to improvement in overall working culture and environment;

(v) creation of large asset base and facilitating access to better financial resources; and

(vi) creation of value for various stakeholders and shareholders of both the Transferee Company and Transferor Company, as a result of all of the foregoing.

1.3 **Definitions**

In this Scheme, unless repugnant to the subject, context or meaning thereof, the following capitalised words and expressions shall have the meanings set forth below:

1.3.1 **"1956 Act"** means the Companies Act, 1956 and the rules and regulations made thereunder, and includes any alterations, modifications and amendments made thereto;

1.3.2 **"2013 Act"** means the Companies Act, 2013 and the rules and regulations made thereunder, and includes any alterations, modifications, amendments made thereto and/or any re-enactment thereof;

1.3.3 **"Appointed Date"** means 1 April 2021 being the date with effect from which this Scheme shall, post effectiveness of this Scheme, be operative, i.e., the date with effect from which the

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Transferor Company shall be deemed to have been amalgamated and merged into and with the Transferee Company;

1.3.4 **"Transferee Company"** has the meaning ascribed to such a term in Clause 1.1.2;

1.3.5 **"Transferor Company"** has the meaning ascribed to such a term in Clause 1.1.1, and notwithstanding anything to the contrary in this Scheme, means and includes:

(i) all assets, wherever located (including in the possession of vendors, third parties or elsewhere), whether real, personal or mixed, tangible, intangible, present, future or contingent, including but not limited to immovable properties, land and buildings, movable assets and other plant, machinery and equipment, whether licensed, leased or otherwise held, title, interests, financial assets, investments, loans, applicationmonies, advance monies, earnest monies and/or security deposits or advances (including accrued interest) and other payments (in any such case whether paid by or deemed to have been paid by the Transferor Company), covenants, undertakings and rights and benefits, including rights and benefits pertaining to any security arrangements, receivables, claims against any third parties, guarantees (including bank and performance guarantees), letters of credit, reversions, tenancies and other such arrangements or facilities;

(ii) all debts, borrowings, duties, debentures, guarantees, assurances, commitments, obligations and liabilities (including deferred tax liabilities and contingent liabilities), both present and future of every kind, nature or description, whether fixed, contingent or absolute, secured or unsecured, asserted or unasserted, matured or un-matured, liquidated or un- liquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, whether provided for or not in the books of accounts or disclosed in the balance sheet including, without limitation, whether arising out of any contract or tort based on negligence or strict liability or under any licences or permits or schemes;

(iii) all contracts, agreements, engagements, licenses, leases, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, sales tax credits, income tax credits, privileges and benefits of all contracts, agreements and all other rights, including license rights, lease rights, powers and facilities of every kind and description whatsoever or other understandings, deeds and instruments of whatsoever nature to which the Transferor Company is a party, including agreements with any government entity, department, commission, board, agency, bureau, official, etc., sale agreements, agreements to sell, equipment purchase agreements, hire purchase agreements, lending agreements and other agreements with the customers, sales orders, purchase orders and other agreements and contracts with the supplier of goods or service providers and all rights, title, interests, claims and benefits there under of whatsoever nature to which the Transferor Company is a party;

(iv) all intellectual property rights, registrations, trademarks, trade names, service marks, copyrights, patents, designs, technical know-how, domain names, including applications for trademarks, trade names, service marks, copyrights, designs and domain names, used by or held for use by the Transferor Company, whether or not recorded in the books of accounts of the Transferor Company, and other intellectual rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, list of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in

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physical or electronic form relating to the business activities and operations of the Transferor Company, whether used or held for use by it;

(v) all permits, licenses, consents, approvals, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, subsidies, tax deferrals, and benefits (including sales tax and service tax), income tax benefits and exemptions (including the right to claim tax holiday under the Income Tax Act, 1961), no-objection certificates, certifications, easements, tenancies, privileges and similar rights, whether statutory or otherwise, and any waiver of the foregoing, issued by any legislative, executive or judicial unit of any governmental or semi-governmental entity or any department, commission, board, agency, bureau, official or other regulatory, administrative or judicial authority used or held for use by the Transferor Company;

(vi) any and all permanent employees, who are on the payrolls of the Transferor Company, employees/personnel engaged on contract basis and contract labourers and interns/trainees, engaged by the Transferor Company, at its respective offices, branches or otherwise, and any other employees/personnel and contract labourers and interns/trainees hired by the Transferor Company after the date hereof;

(vii) all books, records, papers, files, whether in physical or electronic form, directly or indirectly relating to the Transferor Company;

(viii) any and all of the advance monies, earnest monies and/or security deposit payment against warrants or other entitlements, as may be lying with them;

(ix) any and all of its investments (including shares, scrips stocks, bonds, debentures, debenture stock, units or pass through certificates and other securities), loans and advances, including dividend declared or interest accrued thereon;

(x) any and all of its licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purposes of carrying on its business or in connection therewith) permissions, approvals, consents, exemptions, registrations, no-objection certificates, quotas, rights, entitlements, certificates, trade names, trademarks, service marks, copyrights, domain names, application for trade names, copyrights, sales tax credits, income tax credits, privileges and benefits of all contracts, agreements and all other rights including lease rights, powers and facilities of every kind and description whatsoever; and

(xi) all registrations, trademarks, trade names, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, patents, designs and domain names exclusively used by or held for use by the Transferor Company in the business, activities and operations carried on by the Transferor Company.

1.3.6 **"Board of Directors"** in relation to the Transferor Company and/or the Transferee Company, as the case may be, means their respective board of directors, and unless repugnant to the subject, context or meaning thereof, shall be deemed to include every committee (including any committee of directors) or any person authorised by the board of directors or by any such committee;

1.3.7 **"CCDs"** mean compulsorily convertible debentures aggregating to Rs. 10,000,000,000 having face value of Rs. 10,000,000 each, issued by the Transferor Company.

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1.3.8 **"Effective Date"** has the meaning ascribed to such term in Clause 5.3. Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" means and refers to the Effective Date;

1.3.9 **"Government Company"** has the meaning ascribed to such term in the 2013 Act;

1.3.10 **"MCA"** means the Ministry of Corporate Affairs, Government of India;

1.3.11 **"Scheme"** means this Scheme of Amalgamation in its present form (along with any annexures, schedules, etc., annexed/attached hereto), with such modifications and amendments as may be made from time to time, and with appropriate approvals and sanctions of the MCA and other relevant regulatory authorities, as may be required under the 2013 Act, as applicable, and under all other applicable laws; and

1.3.12 **"Stock Exchanges"** means National Stock Exchange of India Limited and BSE Limited.

1.4 **Interpretation**

1.4.1 Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the meaning ascribed to such terms and expressions under the 1956 Act or the 2013 Act, as applicable, and if not defined therein then under other relevant statutes, such as the Income Tax Act, 1961, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the regulations made there under), the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof.

1.4.2 In this Scheme, unless the context otherwise requires:

(i) references to "persons" shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;

(ii) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of the relevant provision of this Scheme;

(iii) references to one gender includes all genders; and

(iv) words in the singular shall include the plural and vice versa.

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PART – II

2. CAPITAL STRUCTURE

2.1 Transferor Company

The capital structure of the Transferor Company, as of 1 June 2021 is as under:

Share Capital	Amount in Rs.
Authorised Capital	
3,200,000 equity shares of Rs. 10,000	32,000,000,000
Total	**32,000,000,000**
Issued, Subscribed and Paid-up Capital	
2,544,291 equity shares of Rs. 10,000/- each fully paid-up	25,442,910,000
Total	**25,442,910,000**

The shares of the Transferor Company are, at present, not listed on any stock exchange, whether in India or in any other country.

2.2 Transferee Company

The capital structure of the Transferee Company, as of 1 June 2021 is as under:

Share Capital	Amount in Rs.
Authorised Capital	
2,900,000,000 equity shares of Rs. 10	29,000,000,000
100,000,000 redeemable preference shares of Rs. 10	1,000,000,000
Total	**30,000,000,000**
Issued, Subscribed and Paid-up Capital	
1,752,598,777 equity shares of Rs. 10 each fully paid-up	17,525,987,770
Total	**17,525,987,770**

The shares of the Transferee Company are, at present, listed on the Stock Exchanges.

2.3 Transfer of authorised share capital of the Transferor Company to Transferee Company

2.3.1 Upon this Scheme becoming effective and with effect from Appointed Date, the authorised share capital of the Transferor Company shall stand transferred to and be merged with the authorised share capital of the Transferee Company, without any liability for payment of additional fees or stamp duty.

2.3.2 Upon this Scheme becoming effective and with effect from Appointed Date, and consequent to transfer of the existing authorised share capital of the Transferor Company in accordance with Clause 2.3.1, the authorised share capital of the Transferee Company of Rs. 30,000,000,000 (Indian Rupees Three Thousand Crore) divided into 2,900,000,000 equity shares of Rs.10 (Indian Rupees Ten) each and 100,000,000 redeemable preference shares of Rs. 10 (Indian Rupees Ten) each, shall stand enhanced by an aggregate amount of Rs. 32,000,000,000 (Indian Rupees Three Thousand Two Hundred Crore), and the resultant authorised share capital of the Transferee Company shall be Rs. 62,000,000,000 (Indian Rupees Six Thousand Two Hundred Crore) divided into 2,900,000,000 equity shares of Rs.10 (Indian Rupees Ten) each, 3,200,000 equity shares of Rs.10,000 each and 100,000,000 redeemable preference shares of Rs. 10 (Indian Rupees Ten) each.

Accordingly, Clause V of the Memorandum of Association of the Transferee Company shall stand modified and be substituted by the following:

"The Authorised Share Capital of the Company is ₹62,000,000,000 (Indian Rupees Six Thousand Two Hundred Crore) divided into 2,900,000,000 (Two Hundred and Ninety Crore) Equity Shares of ₹10 (Indian Rupees Ten) each, 3,200,000 (Thirty Two Lakh) equity shares of ₹10,000 each and 100,000,000 (Ten Crore) redeemable preference shares of ₹10 (Indian Rupees Ten) each, with the power to increase and reduce the share capital of the Company and to divide the shares in the Capital for the time being into several classes and to attach there to respectively such preferential, qualified or special rights, privileges and conditions as may be permissible at law and determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company"

Further, regulation 4 of the Articles of Association of the Transferee Company shall stand modified and be substituted by the following:

"The Authorised Share Capital of the Company is ₹62,000,000,000 (Indian Rupees Six Thousand Two Hundred Crore) divided into 2,900,000,000 (Two Hundred and Ninety Crore) Equity Shares of ₹10 (Indian Rupees Ten) each, 3,200,000 (Thirty Two Lakh) equity shares of ₹10,000 each and 100,000,000 (Ten Crore) redeemable preference shares of ₹10 (Indian Rupees Ten) each, with the power to increase and reduce the share capital of the Company and to divide the shares in the Capital for the time being into several classes and to attach there to respectively such preferential, qualified or special rights, privileges and conditions as may be permissible at law and determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company"

2.4 **Alteration of the main objects**

2.4.1 The main objects of the Transferee Company shall stand altered by adding Sub-Para (iii) of Para 1 of Main Objects and shall be read as under:

"(iii) Manufacturing and marketing of all kinds of petroleum, petrochemicals and similar products, byproducts and other speciality products, including Ethylene – Propane, Naphtha, polyethylene, paraxylene, derivatives of paraxylene, benzene, derivatives of benzene, bio diesel, bio fuels like ethanol and other similar or allied substances."

2.4.2 It is hereby clarified that the consent of the shareholders of the Transferor Company and the Transferee Company to this Scheme shall be sufficient for the purposes of effecting the aforesaid amendment in the Memorandum of Association and Articles of Association of the Transferee Company and that no further resolutions, whether under Sections 13 and 61 of the 2013 Act, any other applicable provisions of the 2013 Act or under the Articles of

Association, shall be required to be separately passed, nor shall the Transferee Company be required to pay any additional registration fees, stamp duties, etc., in relation to such increase in its authorised share capital.

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PART – III

3. AMALGAMATION OF TRANSFEROR COMPANY INTO AND WITH THE TRANSFEREE COMPANY

3.1 Transfer and vesting of Assets and Liabilities and entire business of the Transferor Company

With effect from the Appointed Date and upon this Scheme becoming effective, all present and future assets and liabilities, whether or not recorded in the books of accounts of the Transferor Company, and the entire business of the Transferor Company, shall stand transferred to and vest in the Transferee Company, as a going concern, without any further act or deed, subject to the provisions of this Scheme, in accordance with Chapter XV of the 2013 Act and all applicable provisions of law if any, as per the provisions contained herein.

3.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, with effect from Appointed Date and upon this Scheme becoming effective:

(i) all assets of the Transferor Company, that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, shall stand vested in the Transferee Company and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.

(ii) all other movable properties of the Transferor Company, including investments in shares and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, become the property of the Transferee Company, and the same shall also be deemed to have been transferred by way of delivery of possession of the respective documents in this regard. The Transferee Company may, if it so deems appropriate, give notice in such form as it deems fit and proper, to each such debtor or obligor, that pursuant to the sanction of this Scheme by the MCA, such debt, loan, advance, claim, bank balance, deposit or other asset be paid or made good or held on account of the Transferee Company as the person entitled thereto, to the end and intent that the right of the Transferor Company to recover or realise all such debts (including the debts payable by such debtor or obligor to the Transferor Company) stands transferred and assigned to the Transferee Company and that appropriate entries should be passed in the books of accounts of the relevant debtors or obligors to record such change. It is hereby clarified that investments, if any, made by the Transferor Company and all the rights, title and interest of the Transferor Company in any licensed properties or leasehold properties shall, pursuant to Section 232 of the 2013 Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company.

(iii) all immovable properties of the Transferor Company, including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or licensed or otherwise and all documents of title, rights and easements in relation thereto shall

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stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of this Scheme by the MCA in accordance with the terms hereof.

(iv) all debts, liabilities, contingent liabilities, duties and obligations, whether secured or unsecured or whether provided for or not in the books of account or disclosed in the balance sheets of the Transferor Company, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company, and the Transferee Company shall, and does hereby undertake to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. It is hereby clarified that 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 3.2. All loans, advances and other obligations due from the Transferor Company to the Transferee Company or *vice versa* shall stand cancelled and shall have no effect.

(v) all contracts, deeds, bonds, agreements, schemes, arrangements, approvals, certificates, leases, registrations and other instruments, permits, rights, subsidies, concessions, entitlements, licenses (including the licenses granted by any governmental, statutory or regulatory bodies)for the purpose of carrying on the business of the Transferor Company, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which, the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto. If the Transferee Company enters into and/or issues and/or executes deeds, writings or confirmations or enters into any tripartite arrangements, confirmations or novation, Transferor Company will, if necessary, also be party to such documents in order to give formal effect to the provisions of this Scheme, if so required. In relation to the same any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of that Transferor Company.

Without prejudice to the generality of the foregoing, all leave and licence agreements/deeds, lease agreements/deeds, bank guarantees, performance guarantees and letters of credit, agreements with any government entity, department, commission, board, agency, bureau or official, hire purchase agreements, lending agreements and such other agreements, deeds, documents and arrangements pertaining to the business of the Transferor Company or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, including all rights and benefits (including benefits of any deposit, advances, receivables or claims) arising or accruing therefrom, shall, with effect from Appointed Date and upon this Scheme becoming effective, by operation of law pursuant to the vesting order of the MCA, be deemed to be contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights,

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entitlements, licenses of the Transferee Company. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors) shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of that Transferor Company. All agreements entered into by the Transferor Company shall stand transferred and vested in favour of the Transferee Company on the same terms and conditions. The Transferee Company and the other parties to such agreements shall continue to comply with the terms, conditions and covenants thereunder.

(vi) any notice, disputes, pending suits, appeals or other proceedings of whatsoever nature relating to the Transferor Company, whether by or against such Transferor Company, shall not abate, be discontinued or in any way prejudicially affected by reason of the amalgamation of the Transferor Company or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, as if this Scheme had not been implemented.

(vii) all employees, who are on the payrolls of the Transferor Company shall become, without any interruption of service as a result of this amalgamation and transfer, employees of the Transferee Company, by normalizing the employment grade, structure and pay scale and such other terms and conditions of employment of such employees of the Transferor Company in accordance with the policies of the Transferee Company and the provisions of relevant guidelines, rules and regulations prescribed in this regard by the Department of Public Enterprises and other relevant regulatory authorities in regard to Central Public Sector Enterprises, such as the Transferee Company. Notwithstanding anything to the contrary contained in this Scheme, the aforesaid normalization of employment grade, structure and pay scale and such other terms and conditions of employment of such employees of the Transferor Company shall take effect from the Effective Date and not the Appointed Date.

With regard to provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special scheme or benefits created or existing for the benefit of the employees of the Transferor Company, if any, upon this Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever, including but not limited to those relating to the obligation to make contributions to such funds and schemes in accordance with the provisions of such funds and schemes in the respective trust deeds or other documents. The existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme and any other special scheme or benefits created by the Transferor Company for its employees shall be continued, subject to the policies of the Transferee Company and the provisions of relevant guidelines, rules and regulations prescribed in this regard by the Department of Public Enterprises and other relevant regulatory authorities in regard to Central Public Sector Enterprises, on the same terms and conditions or be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Transferee Company or as may be created by the Transferee Company for such purpose.

Upon this Scheme becoming effective, the Transferor Company will transfer/handover to the Transferee Company, copies of employment information, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness

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for work examinations), disciplinary records, supervisory files relating to its and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.

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

(viii) all the intellectual property rights of any nature whatsoever, including any and all registrations, goodwill, licenses, trademarks, service marks, copyrights, domain names, applications for copyrights, trade names and trademarks, appertaining to the Transferor Company, if any, shall stand transferred to and vested in the Transferee Company.

(ix) all taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax, etc.) payable by or refundable to or being the entitlement of the Transferor Company, including all or any refunds or claims shall be treated as the tax liability or refunds/credits/claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions, tax losses including brought forward business loss, unabsorbed depreciation etc., as would have been available to the Transferor Company, shall upon to this Scheme becoming effective, be available to the Transferee Company.

(x) the accounts of the Transferee Company as on Appointed Date shall be reconstructed in accordance with the applicable provisions and terms of this Scheme. The Transferee Company shall be entitled to revise its Income Tax returns, Wealth tax returns, TDS returns, and other statutory returns as may be required under respective statutes pertaining to Indirect Taxes, such as goods and service tax, sales-tax, value added tax, excise duties, service tax, etc.

(xi) all approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description whatsoever in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible/entitled, including without limitation as set out in **Schedule I**, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or oblige thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause 3.2, the said third party or authority shall be obligated to, and shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the MCA, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.

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(xii) benefits of any and all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise, including without limitation, approvals under Sections 62(1)(a), 180(1)(c) and 180(1)(a) of the 2013 Act and any other approvals under the 2013 Act shall stand transferred to the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Transferee Company.

(xiii) all estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Transferor Company shall be deemed to have been accrued to and/or acquired for and on behalf of the Transferee Company and shall, upon this Scheme becoming effective, pursuant to the provisions of Section 232 of the 2013 Act and other applicable provisions of the 2013 Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the Transferee Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Transferee Company.

(xiv) all lease/license or rent agreements entered into by the Transferor Company with various landlords, owners and lessors, together with security deposits and advance/prepaid lease/license fee, etc., including without limitation as set out in **Schedule-II**, shall stand automatically transferred and vested in favour of the Transferee Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The Transferee Company shall continue to pay rent, or lease or license fee as provided for in such agreements, and the Transferee Company and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants thereunder. Without limiting the generality of the foregoing, the Transferee Company shall also be entitled to refund of security deposits paid under such agreements by the Transferor Company.

(xv) all electricity connections and tariff rates in respect thereof sanctioned by various public sector and private companies, boards, agencies and authorities to the Transferor Company, together with security deposits and all other advances paid, shall stand automatically transferred and vested in favour of the Transferee Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The relevant electricity companies, boards, agencies and authorities shall issue invoices in the name of the Transferee Company with effect from the billing cycle commencing from the month immediately succeeding the month in which an intimation of the MCA's approval of this Scheme is filed by the Transferee Company with them. The Transferee Company and the relevant electricity companies, boards, agencies and authorities shall continue to comply with the terms, conditions and covenants associated with the grant of such connection. Without limiting the generality of the foregoing, the Transferee Company shall also be entitled to refund of security deposits paid to or placed with such electricity companies, boards, agencies, Municipal Corporation, statutory and other authorities by the Transferor Company.

(xvi) All bank accounts operated or entitled to be operated by Transferor Company shall be deemed to have transferred and shall stand transferred to the Transferee Company and the name of the Transferor Company shall be substituted by the name of the Transferee Company in the respective concerned bank's records.

3.3 Upon this Scheme becoming effective and the consequent amalgamation of the Transferor Company into and with the Transferee Company, the secured creditors of the Transferee Company shall only continue to be entitled to security over such properties and assets forming

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part of the Transferee Company, as existing immediately prior to the amalgamation of the Transferor Company into and with the Transferee Company and the secured creditors of the Transferor Company shall continue to be entitled to security over such properties, assets, rights, benefits and interest of and in the Transferor Company, as existing immediately prior to the amalgamation of the Transferor Company into and with the Transferee Company. It is hereby clarified that all the assets of the Transferee Company and the Transferor Company which are not currently encumbered shall remain free and available for creation of any security thereon in future in relation to any new indebtedness that may be incurred by the Transferee Company. For this purpose, no further consent from the existing secured creditors shall be required and sanction of this Scheme shall be considered as a specific consent of such secured creditors.

3.4 The Transferor Company and/or the Transferee Company, as the case may be, shall, at any time after this Scheme comes into effect in accordance with the provisions hereof, if so required under any law or otherwise, execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which the Transferor Company has been a party, including any filings with the regulatory authorities, in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions hereof, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.

3.5 The Transferor Company and/or the Transferee Company, as the case may be, shall, at any time after this Scheme comes into effect in accordance with the provisions hereof, if so required under any law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Transferor Company, including, if required, the approval of the SEZ Section, Department of Commerce, Ministry of Commerce and Industry, Government of India and Board of Approval for SEZs for vesting of the rights, interests, liabilities and obligations of the Transferor Company to any SEZ land or SEZ license in the Transferee Company. It is hereby clarified that if the consent of any third party or government authority is required to give effect to the provisions of this clause, the said third party or government authority shall be obligated to, and shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the MCA, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

3.6 **Conduct of Businesses until Effective Date**

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

(i) the Transferor Company undertakes to carry on and shall be deemed to have carried on all its business activities and stand possessed of its properties and assets, for and on account of and in trust for the Transferee Company;

(ii) all profits or income arising or accruing in favour of the Transferor Company and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax credit, banking cash transaction tax, securities transaction tax, taxes withheld/paid in a foreign country, value added tax, sales tax, goods and service tax, service tax, etc.) or losses arising or incurred by the Transferor Company shall,

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for all purposes, be treated as and deemed to be the profits or income, taxes or losses, as the case may be, of the Transferee Company;

(iii) the Transferor Company shall carry on its business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto, and shall not undertake any additional financial commitment of any nature whatsoever, borrow any amount or incur any other liabilities or expenditure, issue any additional guarantee, indemnity, letters of comfort or commitment either for itself or on behalf of its affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties/assets, except:

(a) when the same is expressly provided in this Scheme;

(b) when the same is in the ordinary course of business as carried on by the Transferor Company; or

(c) when written consent of the Transferee Company has been obtained in this regard.

(iv) except by mutual consent of the Boards of Directors of the Transferor Company and the Transferee Company, or except pursuant to any prior commitment, obligation or arrangement existing or undertaken by the Transferor Company and/or the Transferee Company as on the date of filing of this Scheme with the MCA, or except as contemplated in this Scheme, pending sanction of this Scheme by the MCA, the Transferor Company and/or the Transferee Company shall not make any change in their capital structures either by way of 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, which would have the effect of re-organisation of capital of such company(ies). In the event that the Transferor Company and/or the Transferee Company change their capital structures either by way of any increase (by issue of equity shares, bonus shares, convertible securities or otherwise), decrease, reduction, reclassification, sub-division, consolidation, or re-organisation in any other manner, which would have the effect of bringing some change to the capital structures of such company(ies), the relevant provisions of this Scheme, including Clause 2.3.2, shall stand modified/adjusted accordingly to take into account the effect of such corporate actions;

(v) Transferor Company shall not vary the terms and conditions of employment of any of the 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 Transferor Company as the case may be;

(vi) the Transferor Company shall not alter or substantially expand its business, except with the written concurrence of the Transferee Company; and

(vii) the Transferor Company shall not amend its memorandum of association or articles of association, except with the written concurrence of the Transferee Company.

3.6.2 (i) With effect from the Effective Date, the Transferee Company shall carry on and shall be entitled to carry on the business of the Transferor Company.

(ii) For the purpose of giving effect to the amalgamation order passed under Sections 230 to 232 of the 2013 Act and other provisions of the 2013 Act, as applicable, in respect of this Scheme by the MCA, the Transferee Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the

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legal right(s) upon the amalgamation of the Transferor Company, in accordance with the provisions of Sections 230 to 232 of the 2013 Act and other provisions of the 2013 Act, as applicable. The Transferee Company is and shall always be deemed to have been authorised to execute any pleadings, applications, forms, etc., as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

(iii) Upon this Scheme becoming effective the Transferee Company unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of the Transferor Company with effect from Appointed Date, in order to give effect to the foregoing provisions.

3.7 All profits of the Transferor Company and all taxes thereof or losses arising or incurred by it relating to the Transferor Company shall, for all purposes be treated as the profits, taxes or losses as the case may be of the Transferee Company.

3.8 The amalgamation of the Transferor Company into and with the Transferee Company is not to be construed as a sale and/or removal of the assets by the Transferor Company.

3.9 Upon this Scheme becoming effective, the Transferor Company shall stand dissolved, without any further act or deed, without being wound-up.

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PART – IV

4. **CHANGE IN SHARE CAPITAL, CONSIDERATION, CANCELLATION OF SHARES AND CCDs AND ACCOUNTING TREATMENT**

4.1 In consideration of the provisions of Part – III of this Scheme and as an integral part of this Scheme, the share capital of the Transferee Company shall be restructured in the manner set forth in Clause 2.3.

4.2 **Cancellation of Shares and CCDs**

4.2.1 Upon this Scheme becoming effective, in the (consolidated/merged) balance sheet of the Transferee Company, investments of the Transferee Company being equity shares held in the Transferor Company, whether held in its own name or through nominee shareholders, shall stand cancelled in entirety without any consideration and without any further act or deed and without any liability towards capital gains tax under the Income Tax Act, 1961.

4.2.2 Upon this Scheme becoming effective, the CCDs shall stand extinguished and cancelled in entirety without any consideration and without any further act or deed.

4.3 **Accounting Treatment**

4.3.1 Upon the Scheme becoming effective, the amalgamation of the Transferor Company into the Transferee Company shall be accounted in accordance with 'the pooling of interests method' under the Indian Accounting Standard 103 – 'Business Combinations' as notified under Section 133 of the Companies Act, 2013. The accounting treatment in the books of Transferee Company shall be in accordance with this clause.

4.3.2 No Goodwill shall be created pursuant to the Scheme.

4.4 **Miscellaneous Provisions**

4.4.1 It is hereby clarified that pursuant to amalgamation of the Transferor Company into and with the Transferee Company, the control over the Transferee Company shall not change.

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PART – V

5. GENERAL TERMS AND CONDITIONS

5.1 Application to MCA

5.1.1 In terms of the MCA Notification No. G.S.R. 582 (E) dated 13 June 2017 issued in terms of Section 462 of the 2013 Act read with rule 3(1) of the Government of India (Allocation of Business) Rules, 1961, MCA has exclusive jurisdiction under the provisions of sections 230 to 232 of the 2013 Act with respect to 'Government Companies'. Since both the Transferor Company and Transferee Company are 'Government Companies', MCA has the jurisdiction to hear, consider and sanction this Scheme.

5.1.2 The Transferee Company and/or the Transferor Company, shall, with all reasonable dispatch, make respective applications to the MCA, under Sections 230 to 232 of the 2013 Act and other applicable provisions of the 2013 Act, seeking orders for dispensing with or convening, holding and/or conducting of the meetings of the classes of their respective shareholders and/or creditors and for sanctioning this Scheme with such modifications, as may be approved by the MCA.

5.1.3 Upon this Scheme being approved by the requisite majority of the shareholders and creditors of the Transferee Company and the Transferor Company (wherever required), the Transferor Company and the Transferee Company shall, with all reasonable dispatch, file respective petitions before the MCA for sanction of this Scheme under Sections 230 to 232 of the 2013 Act and other applicable provisions of the 2013 Act, and for such other order or orders, as the MCA may deem fit for sanctioning/giving effect to this Scheme. Upon this Scheme becoming effective, the shareholders and creditors of both, the Transferee Company and the Transferor Company, shall be deemed to have also accorded their approval under all relevant provisions of the 2013 Act, as applicable, for giving effect to the provisions contained in this Scheme.

5.2 Tax related provisions

5.2.1 This Scheme, has been drawn up to comply with the conditions relating to "Amalgamation" as specified under the tax laws, specifically Section 2(1B) of the Income Tax Act, 1961 and other relevant sections of the Income Tax Act, 1961. If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the provisions of the tax laws shall prevail. This Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of this Scheme. Notwithstanding the other provisions of this Scheme, the power to make such amendments/modifications as may become necessary, shall vest with the Board of Directors of the Transferee Company, which power shall be exercised reasonably in the best interests of the companies concerned and their shareholders, and which power can be exercised at any time.

5.2.2 Notwithstanding anything to the contrary contained in the provisions of this Scheme, the Transferee Company shall be entitled to carry forward, avail of, or set-off any unabsorbed tax losses, unabsorbed tax depreciation, credits for minimum alternate tax and input tax credits of the Transferor Company that remain unutilized as on Appointed Date. Further, any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions as would have been available to the Transferor Company on or before Appointed Date shall be available to the Transferee Company.

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5.2.3 Upon this Scheme becoming effective, the Transferee Company shall be entitled to claim refunds or credits, including Input Tax Credits, with respect to taxes paid by, for, or on behalf of, the Transferor Company under applicable laws, including but not limited to income tax, sales tax, value added tax, service tax, CENVAT or any other tax, whether or not arising due to any inter se transaction, even if the prescribed time limits for claiming such refunds or credits have lapsed. For the avoidance of doubt, Input Tax Credits already availed of or utilised by the Transferor Company and the Transferee Company in respect of inter se transactions shall not be adversely impacted by the cancellation of inter se transactions pursuant to this Scheme.

5.2.4 Upon this Scheme becoming effective, any advance tax, self-assessment tax, minimum alternate tax and/or TDS credit available or vested with the Transferor Company, including any taxes paid and taxes deducted at source and deposited by the Transferor Company on inter se transactions during the period between Appointed Date and the Effective Date shall be treated as tax paid by the Transferee Company and shall be available to the Transferee Company for set-off against its liability under the Income Tax Act, 1961 and any excess tax so paid shall be eligible for refund together with interest. Further, TDS deposited, TDS certificates issued or TDS returns filed by the Transferor Company on transactions other than inter se transactions during the period between Appointed Date and the Effective Date shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued and TDS returns were filed by the Transferee Company. Any TDS deducted by, or on behalf of, the Transferor Company on inter se transactions will be treated as tax deposited by the Transferee Company.

5.2.5 Upon this Scheme becoming effective, any service tax or any other tax charged by, for, or on behalf of, the Transferor Company on inter se transactions and in respect of which CENVAT credit or any Input Tax Credit is not available or has not been claimed by the Transferor Company, shall be treated as service tax paid in cash by the Transferee Company, without any further action on the part of the Transferor Company and the Transferee Company.

5.2.6 Upon this Scheme becoming effective, the Transferee Company (post amalgamation) is expressly permitted to revise its financial statements and returns along with the prescribed forms, filings and annexures under the Income Tax Act, 1961 (including for minimum alternate tax purposes and tax benefits), service tax law and other tax laws and to claim refunds and/or credits for taxes paid (including minimum alternate tax), and to claim tax benefits under the Income Tax Act, 1961 etc. and for matters incidental thereto, if required to give effect to the provisions of this Scheme. The order of the MCA sanctioning the Scheme shall be deemed to be an order of MCA permitting the Transferee Company to revise its financial statements and books of accounts and no further act shall be required to be undertaken by the Transferee Company.

5.2.7 The Transferee Company is expressly permitted to file or revise its corporate income tax, TDS, wealth tax, service tax, excise, VAT, entry tax, professional tax or any other statutory returns, statements or documents, credit for advance tax paid, tax deducted at source, claim for sum prescribed under Sec 43B of the Income Tax Act, 1961 on payment basis, deduction for provisions written back by Transferee Company previously disallowed in the hands of Transferor Company under the Income Tax Act, 1961, credit of tax paid under Section 115JB read with Section 115JAA of the Income Tax Act, 1961, credit of foreign taxes paid/ withheld etc., if any, pertaining to the Transferor Company upon this Scheme becoming effective, and where necessary to give effect to this Scheme, even if the prescribed time limits for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum. The Transferee Company is expressly permitted to amend, if required, its TDS/TCS or other statutory certificates and shall have the right to claim refunds, tax credits, set-offs and/or adjustments relating to its income or transactions entered into by it with effect from Appointed Date. The taxes or duties paid by, for, or on behalf of, the Transferor Company relating to the period on or after Appointed Date shall be deemed to be

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the taxes or duties paid by the Transferee Company and the Transferee Company shall be entitled to claim credit or refund for such taxes or duties.

5.2.8 The Transferee Company is also permitted to claim refunds, credits, including restoration of input CENVAT credit, tax deduction in respect of nullifying of any transaction between or amongst the Transferor Company and the Transferee Company, provided that upon the Scheme becoming effective, the Transferee Company is also expressly permitted to revise its income tax returns, withholding tax returns, sales tax returns, excise and CENVAT returns, service tax returns and other tax returns, to obtain TDS certificates relating to transactions between or amongst the Transferor Company and the Transferee Company, and to claim refunds, advance tax and withholding tax credits, benefit of carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.

5.2.9 All tax assessment proceedings/appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date by the Transferor Company. In the event of the Transferor Company failing to continue or enforce any proceeding/appeal, the same may be continued or enforced by the Transferee Company, at the cost of the Transferee Company. As from the Effective Date, the tax proceedings shall be continued and enforced by or against 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 Transferor Company.

5.2.10 Further, the afore-mentioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company into and with the Transferee Company or anything contained in the Scheme.

5.3 **Conditionality to the Effectiveness of the Scheme.**

Subject to the provisions of this Scheme, this Scheme shall become effective on the last of the following dates (**"Effective Date"**):

(i) the Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of the Transferor Company and the Transferee Company as may be directed by MCA;

(ii) the sanction of the MCA under the applicable provisions of the 2013 Act in favour of the Transferor Company and the Transferee Company by passing the necessary order;

(iii) receipt of such other sanctions and approvals including sanction of any governmental authority as may be required by law in respect of the Scheme;

(iv) certified or authenticated copy of the order of the MCA sanctioning the Scheme being filed with the Registrar of Companies, by the Transferor Company and the Transferee Company, as may be applicable;

(v) receipt of the written consent from Mangalore SEZ Limited required to be obtained, in relation to the disposal of the Transferor Company's leasehold interest, pursuant to the lease agreement dated 12 April 2012 between the Transferor Company and Mangalore SEZ Limited

5.4 **Compliance with Laws**

This Scheme is presented and drawn up to comply with the provisions/requirements of Chapter XV of the 2013 Act, for the purposes of amalgamation of the Transferor Company

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with the Transferee Company.

5.5 **Saving of Concluded Transactions**

The transfer of properties and liabilities and the continuance of proceedings by or against the Transferor Company under Clause 3.2 of the Scheme above shall not affect any transaction or proceedings already concluded by the Transferor Company on and after the Appointed Date until the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

5.6 **Sequencing of Events**

Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred on Appointed Date, as the case may be and become effective and operative only in the sequence and in the order mentioned hereunder:

(i) amendment to Clause V of the Memorandum of Association and regulation 4 of the Articles of Association of the Transferee Company, as provided in Clause 2.3.2 of Part II of the Scheme;

(ii) amendment to the main objects of the Transferee Company as provided in Clause 2.4 of Part II of the Scheme;

(iii) amalgamation of the Transferor Company into and with the Transferee Company in accordance with Part – III of this Scheme;

(iv) transfer of the authorised share capital of the Transferor Company to the Transferee Company as provided in Clause 2.3, and consequential increase in the authorised share capital of the Transferee Company as provided thereunder;

(v) cancellation of the shares of the Transferor Company held by the Transferee Company in terms of Clause 4.2.1 of this Scheme; and

(vi) cancellation and extinguishment of the CCDs in their entirety in terms of Clause 4.2.2 of the Scheme.

5.7 **Modifications to this Scheme and removal of difficulties**

The Transferee Company and the Transferor Company (acting through theirrespective Boards of Directors) may: (i) assent to any modifications or amendments to this Scheme, which the MCA and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise during the course of sanction and/or giving effect and/or implementing this Scheme, or (ii) waive any of the requirements of this Scheme, where such waiver is necessary or desirable for settling any question or doubt or difficulty that may arise during the course of sanction and/or giving effect and/or implementing this Scheme, provided such waiver is in the interest of Transferee Company and the Transferor Company. The Transferee Company and the Transferor Company (acting through its respective Boards of Directors) be and are hereby authorised to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any orders of the MCA or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any

matters concerning or connected therewith.

5.8 **Withdrawal of this Scheme**

Notwithstanding anything else to the contrary in this Scheme, the Transferee Company and the Transferor Company (acting through its respective Boards of Directors) shall be at liberty to withdraw from this Scheme for any reason as they deem fit, including in case any condition or alteration imposed by the MCA or any other authority is not acceptable to them.

5.9 **Costs and Expenses**

All costs, expenses, charges, fees, taxes, duties, levies and all incidental expenses arising out of or incurred in carrying out and implementing the terms and conditions or provisions of this Scheme and matters incidental thereto shall be borne and paid by the Transferee Company.

5.10 **Binding Effect**

Upon this Scheme becoming effective it shall be binding on the Transferor Company, Transferee Company, their respective shareholders, creditors and all other stakeholders. In the event of any inconsistency between the provisions of this Scheme and any of the terms and conditions of any earlier arrangement, agreement or contract between the Transferor Company, Transferee Company, and their shareholders, creditors and/or other stakeholders, then the provisions of this Scheme shall prevail.

5.11 **Severability**

If any part of this Scheme is invalid, ruled illegal by any court / governmental authority, or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the Transferee Company and the Transferor Company (acting through their respective Boards of Directors) shall attempt to bring about appropriate modification to this Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such part.

5.12 **Declaration of Dividend**

5.12.1 The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date.

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

5.12.3 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the 2013 Act, as applicable, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Company and the Transferee Company, and if applicable as per the provisions of the Articles of Association, and the 2013 Act, as applicable, be subject to the approval of the shareholders of the Transferor Company and the Transferee Company respectively.

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5.13 **Transfer of CCDs**

It is clarified that any transfer of CCDs of the Transferor Company to the Transferee Company or any third party shall not require an approval/consent/permission of the Transferor Company, and such transfer of CCDs shall be taken on record upon occurrence of such transfer any time prior to the Effective Date.

5.14 **Interpretation**

5.14.1 Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation from the Appointed Date for Part III of this Scheme.

5.14.2 If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any provisions of applicable law at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the provisions of the applicable law shall prevail. Subject to obtaining the sanction of the MCA, if necessary, this Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will, however, not affect other parts of this Scheme. Notwithstanding the other provisions of this Scheme, the power to make such amendments/modifications as may become necessary, whether before or after the Effective Date, shall, subject to obtaining the sanction of the MCA, if necessary, vest with the Board of Directors of the Transferor Company and the Transferee Company, which power shall be exercised reasonably in the best interests of the Transferor Company and the Transferee Company and their respective shareholders.

5.15 **Miscellaneous**

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

5.15.2 Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.

5.15.3 Upon this Scheme becoming effective, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the 2013 Act, as applicable, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

5.15.4 Upon this Scheme becoming effective, the Transferee Company shall be entitled to operate all bank accounts, cash and deposits relating to the Transferor Company, realise all monies and complete and enforce all pending contracts and transactions in respect of the Transferor Company in the name of the Transferor Company to the extent necessary.

5.15.5 Upon this Scheme becoming effective, the Transferee Company shall be entitled to occupy and use all premises, whether owned, leased or licensed, relating to Transferor Company until the transfer of the rights and obligations of Transferor Company to the Transferee Company under this Scheme is formally accepted by the parties concerned.

मंगलूरु Mangaluru

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5.15.6 Upon this Scheme becoming effective, the Transferee Company shall be entitled to rely on, use and operate on the basis of all licenses, consents and approvals, in the name of Transferor Company to the extent necessary.

एमआरपीएल / MRPL
मंगलूरु
Mangaluru
कंपनी सचिव / Company Secretary

प्रमाणित प्रति / CERTIFIED TRUE COPY
कृते मंगलूर रिफाइनरी एण्ड पेट्रोकेमिकल्स लिमिटेड
For Mangalore Refinery & Petrochemicals Ltd.

के बी श्याम कुमार/ K B Shyam Kumar
कंपनी सचिव/ Company Secretary

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Schedule-I
Consents and approvals obtained by the Transferor Company

1. License to operate issued on 23 October 2020 for the period of one year with effect from 1 January 2021 to 31 December 2021 pursuant to the Factories Act, 1948;

2. Authorisation dated 23 November 2018 granted pursuant to the Hazardous & Other Wastes (Management and Transboundary Movement) Rules, 2016;

3. Consent to operate dated 27 January 2017 granted pursuant to the Air (Prevention & Control of Pollution) Act, 1981; and

4. Consent to operate dated 27 January 2017 granted pursuant to the Water (Prevention & Control of Pollution) Act, 1974.

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कंपनी सचिव / Company Secretary

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Schedule-II
Lease and license agreements of the Transferor Company

1. Lease agreement dated 12 April 2012 between the Transferor Company and Mangalore SEZ Limited; and

2. Pipeline-cum-Road Corridor Agreement dated 19 March 2016 between the Transferor Company and Mangalore SEZ Limited;

3. Right of way agreement dated 20 January 2018 between the Transferor Company and Mangalore SEZ Limited; and

4. Letter of intent dated 22 May 2019 issued by New Mangalore Port Trust granting right of way to the Transferor Company commencing from 22 January 2019 until 21 January 2029.

एमआरपीएल / MRPL
मंगलूरु
Mangaluru
कंपनी सचिव / Company Secretary

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