

SCHEME OF ARRANGEMENT

BETWEEN

JM FINANCIAL CAPITAL LIMITED
(“TRANSFEROR COMPANY”)

AND

JM FINANCIAL SERVICES LIMITED
(“TRANSFeree COMPANY” FOR “PART C” OF THE SCHEME
AND “DEMERGED COMPANY” FOR PART D OF THE SCHEME)

AND

JM FINANCIAL LIMITED
(“RESULTING COMPANY”)

AND

THEIR RESPECTIVE SHAREHOLDERS

**UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS OF
THE COMPANIES ACT, 2013 AND RULES & REGULATIONS FRAMED THEREUNDER**

(A) PREAMBLE

This Scheme of Arrangement (Scheme”) is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder and in compliance with the provisions of the Income Tax Act (as defined hereinafter), as may be applicable, for the merger of JM Financial Capital Limited (“Transferor Company”) into JM Financial Services Limited (“Transferee Company” for Part C of the Scheme and “Demerged Company” for Part D of the Scheme) and for the demerger of the ‘Demerged Undertaking’ (as defined hereinafter) of JM Financial Services Limited (“Transferee Company” for Part C of the Scheme and “Demerged Company” for Part D of the Scheme) into JM Financial Limited (“Resulting Company”) on a going concern basis.

(B) PARTS OF THE SCHEME

This Scheme is divided into the following parts: -

Part A deals with the description of the companies and the rationale for the Scheme;

Part B deals with the definitions and the share capital of the Transferor Company, the Demerged Company and the Resulting Company;

Part C deals with the Merger of the Transferor Company, i.e., JM Financial Capital Limited into the Transferee Company, i.e., JM Financial Services Limited;

Part D deals with the Demerger of ‘Demerged Undertaking’ of the Demerged Company, i.e., JM Financial Services Limited into the Resulting Company, i.e., JM Financial Limited; and

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

The Scheme also provides for various other matters consequential, incidental or otherwise integrally connected herewith.

Certified to be true

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PART A – GENERAL

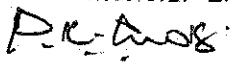
1. DESCRIPTION OF THE COMPANIES

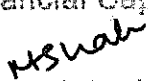
1.1. **JM Financial Capital Limited** (hereinafter referred as the “**Transferor Company**”) was incorporated on December 4, 2015 in the State of Maharashtra under the provisions of the Companies Act, 2013 under the name and style of “JM Financial Capital Limited”. The Transferor Company’s Corporate Identity Number (“CIN”) is U65190MH2015PLC270754 and is having its registered office at 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025 and PAN is AADCJ6176E. The Transferor Company is a Non-Banking Financial Company registered with the Reserve Bank of India. The Transferor Company is a wholly owned subsidiary of the Transferee Company.

1.2. **JM Financial Services Limited** (hereinafter referred to as the “**Transferee Company**” for Part C and “**Demerged Company**” for Part D of the Scheme) was incorporated as a private limited company in the State of Maharashtra under the provisions of the Companies Act, 1956, under the name of J M Morgan Stanley Retail Services Private Limited on June 19, 1998. The name was then changed from J M Morgan Stanley Retail Services Private Limited to JM Morgan Stanley Retail Services Limited upon the Company becoming a deemed public limited company (as per the then prevailing laws) with effect from July 1, 1998 by virtue of the Companies (Amendment) Act, 1988 read with the Companies Act, 1956. The name was further changed from J M Morgan Stanley Retail Services Limited to J M Morgan Stanley Retail Services Private Limited upon its conversion from a public company to private company with effect from January 11, 2001. The name of the Company was further changed from JM Morgan Stanley Retail Services Private Limited to J M Morgan Stanley Financial Services Private Limited with effect from November 25, 2005. Further, the name was changed to JM Financial Services Private Limited with effect from June 7, 2007 and was then changed to JM Financial Services Limited upon conversion from private limited company to a public limited company with effect from February 28, 2013. The Transferee Company/ Demerged Company’s Corporate Identity Number (“CIN”) is U67120MH1998PLC115415 and its registered office is situated at 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025 and the PAN is AAACJ5977A. The Demerged Company is a wholly-owned subsidiary of the Resulting Company.

The Demerged Company is a company engaged in engaged in providing services auxiliary to financial intermediation.

1.3. **JM Financial Limited** (hereinafter referred to as the “**Resulting Company**”) was incorporated as a private limited company in the State of Maharashtra under the provisions of the Companies Act, 1956 under the name of J.M. Share and Stock Brokers Private Limited on January 30, 1986. Subsequently, the Company became a deemed Public Limited Company (as per the then prevailing laws) upon its promoter, J. M. Financial & Investment Consultancy Services Private Limited becoming a deemed public limited company on June 15, 1988, by virtue of the Companies (Amendment) Act, 1988 read with the Companies Act, 1956. On September 15, 2004, the name of the Company was changed to JM Financial Limited, a public limited company as per Companies Act, 1956, as amended. The Corporate Identity Number is L67120MH1986PLC038784, the

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registered office is situated at 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025 and the PAN is AAACJ2590B.

The Resulting Company is a SEBI registered merchant banker and is also engaged in the business of private equity funds management and also the holding company of various subsidiaries. The equity shares of the Resulting Company are listed on the BSE Limited and the National Stock Exchange of India Limited.

2. OBJECT AND RATIONALE OF THIS SCHEME

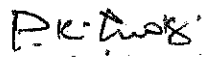
2.1 Rationale for Merger

Transferor Company is a wholly owned subsidiary of Transferee Company. Amalgamation of the Transferor Company with and into the Transferee Company would, *inter alia*, entail the following benefits:

- a. Comply with the Rule 8(1)(f) and Rule 8(3)(f) of Securities Contract (Regulations) Rules, 1957 (SCRR), which states that members of a stock exchange, shall not engage either as principal or employee, in any business, other than that of securities or commodity derivatives, except as a broker or agent, not involving any personal financial liability.
- b. Pursuant to the NSE Circular Ref No: NSE/COMP/50957 dated 7 January 2022, investments made in companies engaged in other businesses such as non-banking financial company ("NBFC") etc. shall fall under the aforesaid restrictions to the said Rules of SCRR.
- c. assist in rationalizing the corporate structure and reduction of shareholding tiers;
- d. reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by both the Transferor Company and Transferee Company;
- e. reduction in the number of Non-Banking Financial Companies within the JM Financial Group through surrender of the NBFC license to the Reserve Bank of India as a result of the amalgamation; and
- f. result in savings of administration and other costs associated with managing separate entities.

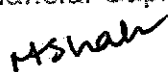
The amalgamation is in the interest of the shareholders, creditors and all other stakeholders of the respective companies and is not prejudicial to the interests of the concerned shareholders, creditors and other stakeholders.

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2.2 Rationale for Demerger

It is proposed to demerge the Demerged Undertaking of the Demerged Company into the Resulting Company since it is envisaged that the following benefits would, inter alia, accrue to the Demerged Company and the Resulting Company:

- a) Segregation of the Demerged Undertaking will enable the Demerged Company to provide greater focus on the stock broking and other distribution related activities, being the core activities of the Demerged Company.
- b) The Demerger shall allow the Demerged Company to pursue an independent growth strategy for its targeted client base.
- c) The activities of the Demerged Undertaking are in consonance with the existing activities of the Resulting Company and hence, would allow the management of the Resulting Company to synergize with the existing business activities and target client base, in line with its overall strategy.

Accordingly, the Management of the Transferor Company, Transferee Company/ Demerged Company and Resulting Company, have formulated this Scheme to undertake various steps as envisaged under Part C and Part D of this Scheme pursuant to the provisions of Sections 230-232 and other relevant provisions of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof for the time being in force).

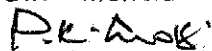
There is no likelihood that interests of any shareholder(s) or creditor(s) of the Transferor Company, Transferee Company/ Demerged Company or the Resulting Company would be prejudiced as a result of the Scheme. The Scheme does not affect the rights of the creditors of the Transferor Company, Transferee Company /Demerged Company and the Resulting Company. There will not be any reduction in amounts payable to the creditors of the Transferor Company, Transferee Company/ Demerged Company or the Resulting Company, nor shall there be any change in terms with creditors which is adverse to their interests, pursuant to the sanctioning of this Scheme. Without prejudice to the above, the Scheme is an arrangement between the Transferor Company, Transferee Company/ Demerged Company, the Resulting Company and their respective shareholders, as contemplated under Section 230(1)(b) of the Companies Act, 2013 and not a Scheme envisaged under Section 230(1)(a) of the Companies Act, 2013.

3. SEQUENCE OF EFFECTIVENESS OF SCHEME

Upon the Scheme becoming operative, with effect from the Appointed Date, the following shall be deemed to have occurred and become effective and operative from the Effective Date only in the order mentioned hereunder:

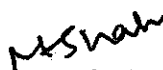
- I. Part C which provides for the merger of Transferor Company i.e., JM Financial Capital Limited ("Transferor Company") into JM Financial Services Limited ("Transferee

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Company” for Part C of the Scheme and “Demerged Company” for Part D of the Scheme);
and

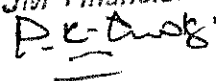
- II. Part D which provides for demerger of the ‘Demerged Undertaking’ (as defined hereinafter) of JM Financial Services Limited (“**Transferee Company**” for Part C of the Scheme and “**Demerged Company**” for Part D of the Scheme) into JM Financial Limited (“**Resulting Company**”) on a going concern basis.

PART B – DEFINITIONS AND SHARE CAPITAL

4. DEFINITIONS

In this Scheme, unless repugnant to the context, the following expressions shall have the following meaning:

- 4.1 “**Act**” means the Companies Act, 1956 and/or Companies Act, 2013, to the extent its provisions relevant for this Scheme are notified and ordinances, rules and regulations made thereunder and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force;
- 4.2 “**Amalgamation**” or “**Merger**” means Amalgamation in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961 of the Transferor Company with and into Transferee Company;
- 4.3 “**AMFI**” means Association of Mutual Funds in India;
- 4.4 “**Applicable Law**” means any applicable central, provincial, local or other law including all applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Parties; (b) Permits; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties;
- 4.5 “**Appointed Date**” means the opening business hours of 1st April, 2023 or such other date as may be directed by the National Company Law Tribunal;
- 4.6 “**Appropriate Authority**” means the government of any jurisdiction (including any central, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi-governmental authority including (without limitation) SEBI, Reserve Bank of India and AMFI;
- 4.7 “**Board of Directors**” or “**Board**” means the Board of Directors of the Transferor Company, the Resulting Company or the Demerged Company, as the case may be, and shall include a duly constituted committee(s) thereof;

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- 4.8 "BSE" shall mean the BSE Limited;
- 4.9 "Demerger" means the transfer by way of demerger in accordance with the provisions of Section 2(19AA) of the Income Tax Act, 1961 of the Demerged Undertaking hereinafter defined in clause 4.11 below;
- 4.10 "Demerged Company" or "JM Financial Services" or "Transferee Company" means JM Financial Services Limited, a company incorporated under the Act and having CIN U67120MH1998PLC115415, having its registered office at 7th Floor, Energy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025 in the State of Maharashtra;
- 4.11 "Demerged Undertaking" or the "Private Wealth and PMS Undertaking" means entire business undertaking, on a going concern basis, in relation to the Private Wealth Management and Portfolio Management Services activities carried out by the Demerged Company under the relevant registrations along with all the related assets, investments, including investment in JM Financial Institutional Securities Limited, liabilities and obligations, of whatsoever nature and kind, of the Demerged Company belonging to, or forming part of, or relating or appertaining to, or attributable to the Demerged Undertaking of Demerged Company as on the Appointed Date, including specifically the following:
- i. all movable assets including financial securities like investments (including investment in JM Financial Institutional Securities Limited), mutual funds, shares, and debentures, and the income generated therefrom, cash and cash equivalents, current assets (such as account receivables, loans and advances, and other movable assets pertaining to the Demerged Undertaking) any and all rights, programs, warranties, supports, title, interest, covenant, intercompany deposits, liabilities including continuing rights, title and interest in connection with the movable properties whether leasehold or otherwise along with all present and future liability including contingent liabilities and debts of the Demerged Undertaking, if any;
 - ii. all assets (whether moveable, real or personal, corporeal or incorporeal, in possession, or in reversion, present, future, contingent, tangible or intangible) not limited to furniture, fixtures, office equipment, appliances, accessories, vehicles, all stocks, sundry debtors, deposits including deposits or outstanding in litigations or paid under protest, provisions, advances, receivables, funds, leases, licenses, tenancy rights, premises, hire purchase and lease arrangements including benefits of agreements, contracts and arrangements, powers, authorities, software developed, registrations, trademark, logo, quotas, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the rights, title, interests, goodwill, benefits, entitlement and advantages, contingent rights or benefits belonging to or in the ownership, power, possession or the control of or vested into or granted in favour of or held for the benefit of or enjoyed by Demerged Company pertaining to the Demerged Undertaking, all intellectual property rights created, developed or invented in connection with the Demerged Undertaking, if any;

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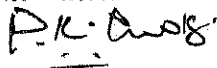
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- iii. all debts, borrowings, obligations and liabilities, including contingent liabilities, whether present or future, whether secured or unsecured, of Demerged Company pertaining to the Demerged Undertaking;
- iv. all books, records, files, papers, engineering and process information, computer programmes, software licenses (whether proprietary or otherwise), data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to Demerged Undertaking;
- v. all permanent employees employed by Demerged Company pertaining to the Demerged Undertaking, as identified by the Board of Directors of Demerged Company, as on the Effective Date;
- vi. all security deposits, or other entitlements, if any, in connection with or relating to Demerged Company pertaining to the Demerged Undertaking;

Any question that may arise as to whether a specific asset (tangible or intangible) or any liability pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking or not, shall be decided by a mutual agreement between the Board of Directors of Demerged Company and the Resulting Company.

- 4.12 **"Effective Date"** means the date on which last of the conditionality specified in Clause 31 of the Scheme is fulfilled. Any reference in this Scheme to the date "upon the Scheme becoming effective" or "effectiveness of the Scheme" or "upon coming into effect of this Scheme" or "upon the Scheme coming into effect" shall mean the Effective Date, as defined in this Clause;
- 4.13 **"Encumbrance"** means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever, and the term "Encumbered" shall be construed accordingly;
- 4.14 **"Governmental Authority"** means any applicable Central, State or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction and shall include any other authority which supersedes the existing authority;
- 4.15 **"IT Act"** Income-Tax Act, 1961 and the rules made thereunder and shall include any statutory modification(s), amendment or re-enactment thereof for the time being in force;
- 4.16 **"NCLT"** means Hon'ble National Company Law Tribunal, Mumbai Bench having jurisdiction in relation to the Demerged Company and Resulting Company;
- 4.17 **"NSE"** means the National Stock Exchange of India Limited;

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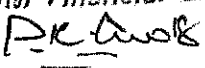
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- 4.18 **"Resulting Company"** or **"JM Financial"** means JM Financial Limited, a company incorporated under the Act and having CIN L67120MH1986PLC038784, having its registered office at 7th Floor, Energy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025 in the State of Maharashtra;
- 4.19 **"Scheme"** or **"the Scheme"** or **"this Scheme"** or **"Scheme of Arrangement"** means this Scheme of Arrangement, as amended or modified, in its present form submitted to the NCLT for approval, with or without any modifications, as may be approved or imposed or directed by the NCLT or any other appropriate authority;
- 4.20 **"SEBI"** means the Securities and Exchange Board of India;
- 4.21 **"Transferor Company"** means JM Financial Capital Limited, a company incorporated on December 4, 2015 in the State of Maharashtra under the provisions of the Companies Act, 2013 having Corporate Identity Number ("CIN") is U65190MH2015PLC270754 and having its registered office at 7th Floor, Energy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

5. DATE OF TAKING EFFECT AND OPERATIVE DATE

- 5.1 The Scheme shall be effective in its present form or with any modification(s) approved or imposed or directed by the NCLT or any other appropriate authority and shall become effective from the Appointed Date, as defined under this Scheme in accordance with Section 232(6) of the Act, but shall be operative from the Effective Date.
- 5.2 The amalgamation of Transferor Company with Transferee Company shall come into effect from the Appointed Date and shall be in compliance with the provisions of the Income-tax Act, 1961, including Section 2(1B) or any amendments thereto.
- 5.3 Since the Transferor Company is a wholly owned subsidiary of the Transferee Company, upon amalgamation, the shares of the Transferor Company shall be cancelled and no shares shall be issued by the Transferee Company.
- 5.4 The demerger of Demerged Undertaking of Demerged Company into the Resulting Company, shall be in accordance with Section 2(19AA) of the IT Act and shall come into effect from the Appointed Date. Since the Demerged Company is a wholly owned subsidiary of the Resulting Company, upon demerger, no shares shall be issued by the Resulting Company. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with Section 2(19AA) of the IT Act, 1961 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 aforesaid provision of the IT Act, 1961 shall

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prevail. The Scheme shall then stand modified to the extent deemed necessary to comply with the said provisions. Such modification will, however, not affect other parts of the Scheme.

- 5.5 Further, the Scheme in no way, is a Scheme of compromise or arrangement with the creditors as all the creditors will be paid in full as and when their respective amounts fall due in the usual course of business and therefore, the Scheme is not affecting the rights of the creditors because the aggregate assets of the Demerged Company/Transferee Company and the Resulting Company are more than sufficient to meet the liabilities of all the creditors in full. The present Scheme is not a Scheme of Corporate Debt Restructuring as envisaged under Section 230(2)(c) of the Act or a Scheme of compromise or arrangement with Creditors.

6. SHARE CAPITAL


- 6.1 The share capital structure of JM Financial Capital Limited or the Transferor Company as on June 30, 2022 is as under:

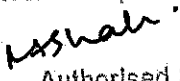
Particulars	Amount (INR)
Authorised Share Capital	
22,50,00,000 equity shares of Rs. 10/- each	225,00,00,000
7,50,00,000 preference shares of Rs. 10/- each	75,00,00,000
Total	300,00,00,000
Issued, subscribed and paid-up equity Share Capital	
22,50,00,000 equity shares of Rs. 10/- each	225,00,00,000
Total	225,00,00,000

As on the date of approval of the Scheme by the Board of Directors of the Transferor Company, there is no change in the authorized, issued, subscribed and paid-up share capital of the Transferor Company. The Transferor Company is a wholly-owned subsidiary of the Transferee Company.

- 6.2 The share capital structure of JM Financial Services or the Demerged Company or the Transferee Company as on June 30, 2022 is as under:

Particulars	Amount (INR)
Authorised Share Capital	
5,50,00,000 equity shares of Rs. 10/- each	55,00,00,000
1,00,00,000 preference shares of Rs. 10/- each	10,00,00,000
Total	65,00,00,000
Issued, subscribed and paid-up Share Capital	
5,00,00,000 equity shares of Rs. 10/- each, fully paid-up	50,00,00,000
75,00,000 6% Compulsorily Convertible Preference Shares of Rs. 10/- each, fully paid-up	7,50,00,000
Total	57,50,00,000

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As on the date of approval of the Scheme by the Board of Directors of the Demerged Company//Transferee Company, there is no change in the authorized, issued, subscribed and paid-up share capital of the Demerged Company//Transferee Company. The Demerged Company//Transferee Company is a wholly-owned subsidiary of the Resulting Company.

6.3 The share capital structure of JM Financial or the Resulting Company as on June 30, 2022 is as under:

Particulars	Amount (INR)
Authorised Capital	
152,02,00,000 equity shares of Re. 1/- each	152,02,00,000
4,38,00,000 preference shares of Rs. 10/- each	43,80,00,000
Total	195,82,00,000
Issued, subscribed and paid-up equity Share Capital	
95,43,79,485 equity shares of Re. 1/- each	95,43,79,485
Total	95,43,79,485

Post June 30, 2022, the Allotment Committee of the Board of JM Financial, has issued and allotted 3,82,803 equity shares of the Company to the eligible employees who exercised the stock options on July 21, 2022. Pursuant to the above allotment, the authorised, issued, subscribed and paid-up equity share capital of the Resulting Company is as under:

Particulars	Amount (INR)
Authorised Capital	
152,02,00,000 equity shares of Re. 1/- each	152,02,00,000
4,38,00,000 preference shares of Rs. 10/- each	43,80,00,000
Total	195,82,00,000
Issued, subscribed and, paid-up Share Capital	
95,47,62,288 equity shares of Re. 1/- each, fully paid-up	95,47,62,288
Total	95,47,62,288

For JM Financial Limited

PK. Singh

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Mishra

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W. Mehta

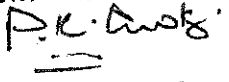
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Part C

AMALGAMATION OF THE TRANSFEROR COMPANY WITH AND INTO THE TRANSFEREE COMPANY

7. AMALGAMATION OF THE TRANSFEROR COMPANY

7.1 Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme including in relation to the mode of transfer or vesting, the entire business and whole of the undertaking(s), all property(ies), being movable or immovable, tangible or intangible, belonging to the Transferor Company including but not limited to properties, equipments, furniture and fixtures, land and building (*whether freehold, leasehold, leave and licensed, right of way, tenancies and/or otherwise*), if any, bank balances, bank accounts in the name of the Transferor Company, remittances in transit, bank deposits against bank guarantees, interest accrued on deposits, security deposits (*whether current or non-current*), capital, advances, prepaid expenses, deferred costs (*whether current or non-current*), cash and cash equivalents, interest receivable, trade receivables (*including trade receivables from the related parties*), unbilled revenue (*including unbilled revenue from the related parties*), outstanding loans and advances (*short-term and long-term*), if any, recoverable in cash or in kind or for the value to be received including but not limited to loans and advances to suppliers, vendors, customers, staff, employees, others, balance with Governmental and Registration Authorities, prepaid expenses (*current and non-current*), fixed assets, inventories including goods in transit, finished goods, advances, advance income tax, income tax receivables, service tax credit receivables and refunds, deferred tax assets (*whether current and noncurrent*), GST credits and refunds, receivables, including refunds from Governmental and Registration Authorities, capital advances, trade receivables, accrued interest, other current and non-current assets, contribution to gratuity fund, permits, approvals, authorizations, telephone connections, telex, facsimile connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of all agreements that are in force on the Effective Date and all other interests, benefits, any other permits, approvals or authorizations under the applicable provisions of the Applicable Law(s), all past and present investments, if any, other assets such as computer software and hardware, routers, all types of furniture and fixtures, vehicles (*whether freehold or encumbered*), office equipment, all types of lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licenses, registrations, contracts, agreements, engagements, arrangements of all kind, rights, titles, interests, benefits, easements, if any, and privileges of whatsoever nature and wherever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company ("*Said Assets*") and all documents of titles, receipts and easements in relation thereto or improvement, all rights, covenants, continuing rights, titles and interest in connection with Said Assets shall be transferred to and stand vested in and/or be deemed to be transferred to and stand vested in Transferee Company in the mode and manner as prescribed in this Scheme on a going concern basis pursuant to provisions of sections 230 to 232 of the Act and all other applicable provisions of the Act and pursuant to the order of the Tribunal or any other appropriate authority or forum, if any, sanctioning the Scheme, without any further act, instrument, deed, matter or thing so as to become on and from Appointed Date, Said Assets of Transferee Company.

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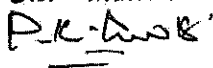
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- 7.2 Without prejudice to the above, in respect of the Said Assets of the Transferor Company, including cash and bank balances, as are movable in nature or incorporeal property or are otherwise capable of being transferred by delivery or possession or by endorsement and/or delivery, the same shall stand transferred to the Transferee Company upon coming into effect of this Scheme and shall upon such transfer become Said Assets of the Transferee Company with effect from the Appointed Date. In respect of any such assets, rights, titles and interests other than the Said Assets referred hereinabove, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in Transferee Company pursuant to an order being made thereof by the Tribunals under Section 232 of the Act.
- 7.3 Without prejudice to the above, the Said Assets including the Intellectual Property Rights (IPR) of the Transferor Company, if any, shall stand transferred to and vested and be deemed to be transferred to and vested in the name of the Transferee Company without any further act, instrument or deed. The Transferee Company, however, shall after the effectiveness of this Scheme, file the relevant intimations with the concerned Governmental and Registration Authorities in relation to Amalgamation, if required, who shall take them on record pursuant to the order of Tribunal.
- 7.4 Upon coming into effect of this Scheme and with effect from the Appointed Date, all statutory licenses (excluding the NBFC license bearing identification number N-13.02140 which shall be surrendered to the Reserve Bank of India) including but not limited to permits, quotas, approvals, permissions, clearances, incentives, consents and authorization orders and all other business certifications and all other registration certificates issued to the Transferor Company under the Applicable Law(s) including but not limited to Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Contract Labour (Regulation and Abolition) Act, 1970, Employees' State Insurance Act, 1948 and/or Payment of Gratuity Act, 1972 and pension and/or superannuation fund or benefits and any other funds or benefits created by the Transferor Company for the employees, any subsidies, concessions, grants, special reservations, rights, claims, leases, tenancy rights, liberties, benefits under applicable provisions of the IT Act, facilities of every kind and description of whatsoever nature and other benefits or privileges, if any (hereinafter referred to as "*Said Rights and Interests*"), enjoyed or conferred upon or held or availed of and all rights and benefits that have accrued or which may accrue to Transferor Company, shall, pursuant to the provisions of Section 232(4) of the Act and other applicable provisions of the Applicable Law(s), for the time being in force, without any further act, instrument or deed, upon the Scheme becoming effective, be and stand transferred to and vested in and/ or be deemed to have been transferred to and vested in and be available to the Transferee Company so as to become on and from the Appointed Date, Said Rights and Interests of the Transferor Company, effective and enforceable on the same terms and conditions to the extent permissible under the Applicable Law(s) for the time being in force and shall be duly and appropriately mutated or endorsed by the concerned Governmental and Registration Authorities therewith in favour of the Transferee Company.
- 7.5 With effect from the Effective Date and until such time the name of the bank accounts of the Transferor Company is replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the existing bank accounts of the Transferor Company, in so far, as

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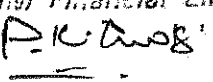
may be necessary. The banks shall also allow and honor cheques or other bills issued in the name of the Transferor Company on and from the Effective Date.

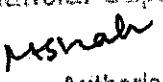
- 7.6 Without prejudice to the other provisions of this Scheme and notwithstanding that vesting of movable and immovable properties of the Transferor Company with the Transferee Company occurs by virtue of this Scheme itself, the Transferee Company, at any time upon coming into effect of this Scheme, may execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement or memorandum of understanding to which the Transferor Company is party, on the Effective Date, as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of this Scheme and/or subject to necessary approvals required under the Applicable Law(s) be deemed to be authorized to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliance, referred to above.

8. AMALGAMATION AND VESTING OF LIABILITIES

- 8.1. Upon coming into effect of this Scheme and with effect from the Appointed Date, all secured and unsecured liabilities, borrowings (*long-term and short-term*), including liabilities of every kind, nature, and description, whatsoever and howsoever arising, whether present or future, including contractual liabilities, guarantees (*long-term and short term*), security deposits received, loans (*including loan from related parties which includes interest accrued*), contingent liabilities, non-trade payables, trade payables, retention money, payables for purchase of property, plants and equipment, creditors of other fixed assets, letters of credit, etc., if any, statutory liabilities/dues (*whether disputed or undisputed*), any kind of commitment or any other advances received (*whether disclosed or undisclosed*), duties, term loans from banks and financial institutions, book overdrafts, loan and advances (*whether long-term or short term*) from banks, customers, revenue received in advance, statutory dues payable, government dues for taxes, contribution to provident fund, labour welfare funds, trade payables (including dues from related parties), short terms borrowing from the related parties, supplier credits, dues of micro and small enterprises, staff and other creditors, dues of creditors other than micro and small enterprises, employee benefit payable, others employees costs, long term or short term provisions, advance from customers, provisions (*whether current or non-current*) including provisions for tax, gratuity, leaves benefits, expenses payable, deferred tax liabilities, taxes, GST payables and obligations of Transferor Company, other current and non-current liabilities, if any, along with any charge, encumbrance, lien or security thereon, if any, and those arising out of proceedings of any nature ("*Said Liabilities*") shall also be transferred to and vested in or be deemed to be transferred to and stand vested, without any further act, instrument or deed in the Transferee Company pursuant to provisions of Sections 230 to 232 of the Act and all other applicable provisions of Act and other Applicable Law(s) so as to become Said Liabilities of Transferee Company and further, it shall not be necessary to obtain separate consent of any third party or any person who is a party to any contract or arrangement by virtue of which such the Said Liabilities may have arisen and are to be transferred to the Transferee Company.

- 8.2. Upon this Scheme becoming effective and with effect from the Appointed Date, all liabilities of the Transferor Company shall be transferred/dealt with in the following manner: -

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- a. All loans raised and utilized or incurred as part of the Said Liabilities, if any, by the Transferor Company any time after the Appointed Date, but prior to the Effective Date, shall be deemed to be transferred to and vested with the Transferee Company without any further act or deed.
- b. The borrowing limits, if any, of the Transferee Company shall, without any further act or deed, stand enhanced by an amount being the aggregate of Said Liabilities of the Transferor Company which is being transferred to the Transferee Company pursuant to this Scheme and the Transferee Company shall not be required to pass any separate resolutions or comply with any provisions of the Act, in this regard.
- c. It is clarified that so far, the Said Assets of the Transferor Company is concerned which have the security or charge, encumbrance or lien, if any, relating to securing the Said Liabilities or any other obligations of the Transferor Company, shall, without any further act or deed continue to relate to such Said Assets after the Effective Date in the name of the Transferee Company and shall not extend to any other assets of the Transferee Company. However, it is expressly clarified that any such security or charge or encumbrance or lien shall not be entered to as security in relation to any assets of the Transferee Company, save to the extent as may be guaranteed or warranted by the terms of the existing security arrangements to which the Transferor Company is a party and consistent with the joint obligations assumed by them under such arrangement or otherwise as may be agreed to by Board of the Transferee Company.
- d. Transferee Company, at its own cost, shall take all steps as may reasonably be necessary to enter into new or amended loan or security agreements or instruments and the like as may be necessary with the lender, such that the Transferee Company shall assume sole responsibility for repayment of borrowings.

9. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 9.1 Upon coming into effect of this Scheme and with effect from Appointed Date and subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party subsisting or having effect on or immediately before the Effective Date shall remain in full force and effect against or in favor of the Transferee Company and shall be binding on and be enforceable by and against the Transferee Company as fully and effectually as if the Transferee Company had at all material times been a party thereto. Any inter-se contracts between Transferor Company and the Transferee Company shall stand cancelled and cease to operate in the Transferee Company from the Effective Date upon coming into effect of this Scheme.
- 9.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that amalgamation and vesting of the Transferor Company occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Company is

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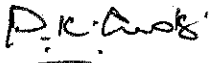
a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall under the provisions of this Part of the Scheme, be deemed to be authorized to execute any such writings on behalf of Transferor Company to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company, as the case may be, to be carried out or performed.

10. PERMITS, CONSENTS, LICENSES, REGISTRATIONS ETC.

- 10.1. All the licenses (excluding the NBFC license bearing identification number N-13.02140 which shall be surrendered to the Reserve Bank of India), permits, quotas, approvals, incentives, subsidies, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued to the Transferor Company, shall without any further act, instrument or deed, be transferred to and vested in or be deemed to have been transferred to and vested in and be available to the Transferee Company so as to become from the Appointed Date, the estates, assets, rights, title, interests and authorities of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in law. From the Effective Date and until the licenses, permits, quotas, approvals, incentives, subsidies, rights, claims, liberties, special status, etc. are transferred, vested, recorded, effected and / or perfected, in the records of the Appropriate Authority, in favor of the Transferee Company, the Transferee Company is authorized to carry on business in the name and style of the Transferor Company and under the relevant license and or permit and / or approval, as the case may be, and the Transferee Company shall keep a record of such transactions.
- 10.2. The Transferee Company and the Transferor Company shall also be entitled to make an application for amending, cancelling or obtaining fresh registrations, as the case may be, under all applicable laws and legislations. The Transferee Company and the Transferor Company would be entitled to make an application for amending licenses/ authorisations.

11. STAFF AND EMPLOYEES

- 11.1. Upon the Scheme coming into effect, all permanent staff and employees of the Transferor Company in service on the Appointed Date, shall deemed to have become the staff and employees of the Transferee Company on the same terms and conditions on which they are engaged by the Transferor Company without any break or interruption in their service as a result of the Amalgamation of the Transferor Company with the Transferee Company. The Transferee Company agrees that the services of all such Employees with the Transferor Company prior to the Amalgamation of the Transferor Company with the Transferee Company shall be taken into account for the purposes of all benefits to which the said Employees may be eligible. It is hereby clarified that the accumulated balances, if any, standing to the credit of the Employees in the existing provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the of Employees of the Transferor Company shall be transferred, subject to applicable laws, to such provident fund, gratuity fund, superannuation fund or such trusts / funds of the Transferee Company or to be established and caused to be recognized by the appropriate authorities, by the Transferee Company for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to

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the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of Transferor Company in relation to such fund or funds shall become those of the Transferee Company. The accumulated balances, if any, standing to the credit of the former Employees of Transferor Company in the existing provident fund of Transferor Company shall be transferred to the account of the relevant provident fund authorities (including the Regional Provident Fund Commissioner having jurisdiction).

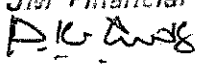
- 11.2. Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the Employees of the Transferor Company would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Company.
- 11.3. Upon transfer of the aforesaid funds to the respective funds of the Transferee Company, subject to applicable laws, the existing trusts created for such funds by the Transferor Company shall stand dissolved and no further act or deed shall be required to this effect. It is further clarified that the services of the Employees of the Transferor Company will be treated as having been continuous, uninterrupted and taken into account for the purpose of the said fund or funds.

12. LEGAL PROCEEDINGS

- 12.1. If any suit, cause of action, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatever nature (hereinafter called "*the Proceedings*") by or against the Transferor Company be pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the Amalgamation or of anything contained in the Scheme, but the Proceedings shall be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made.
- 12.2. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company. In case of any litigations, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Company after the Appointed Date, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company. The Transferee Company undertakes to continue to abide by the agreement/settlement if any entered into by the Transferor Company with any of its employees, which is in force as on the Effective Date.

13. TREATMENT OF TAXES PAID BY THE TRANSFEROR COMPANY

All taxes, levies, cess, etc. (whether direct or indirect) that might have been paid by the Transferor Company (whether before or after the Appointed Date) during the period when the merger has not become effective for any tax liability that arises after the Appointed Date shall be deemed to be tax paid by the Transferee Company and credit in respect thereof shall be given to the Transferee Company accordingly.

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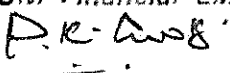
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14. CONSIDERATION

The entire share capital of Transferor Company is held by the Transferee Company as required under the provisions of the Act. Upon the Scheme becoming effective, the shares held by the Transferee Company in the Transferor Company shall be cancelled and extinguished and no share shall be issued by the Transferee Company in consideration for this Scheme of Amalgamation. Upon the coming into effect of this Scheme, the share certificates, if any, and / or the shares in electronic form representing the shares held by Transferee Company in the Transferor Company, shall be deemed to be cancelled without any further act or deed for cancellation thereof by the transferor and shall cease to be in existence accordingly.

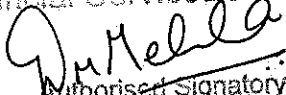
15. ACCOUNTING TREATMENT IN THE BOOKS AND FINANCIAL STATEMENTS OF TRANSFEEE COMPANY

- 15.1 Amalgamation of the Transferor Company with the Transferee Company shall be accounted in the books of the Transferee Company as per "Pooling of Interests Method" under Appendix C of Ind-AS 103 (Accounting for Business Combinations under common control) notified under Section 133 of the Act and under any other relevant Indian Accounting Standard prescribed under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time.
- 15.2 All the assets and liabilities of Transferor Company shall be recorded in the financial statements of the Transferee Company at the carrying value as appearing in the financial statements of the Transferor Company as on the Appointed Date.
- 15.3 The identity of the reserves pertaining to the Transferor Company, shall be preserved and shall appear in the merged financial statements of Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company and it shall be aggregated with the corresponding balance appearing in the financial statements of Transferee Company, as on the Appointed Date.
- 15.4 The investments in shares of the Transferor Company, as appearing, inter alia, in the books of the Transferee Company shall stand cancelled.
- 15.5 To the extent that there are inter-company loans, deposits, obligations, balances or other outstanding including any interest thereon, as between the Transferor Company and the Transferee Company as the case may be, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be.
- 15.6 The surplus / deficit of the value of the assets over the value of liabilities and reserves of the Transferor Company, pursuant to Amalgamation of Transferor Company with and into the Transferee Company, and as recorded in the books of account of the Transferee Company shall, after adjusting for cancellation of inter-company investments in Clause 15.4 and other adjustments, if any, be recorded as "Capital Reserve" in the books of the Transferee Company.

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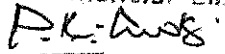
- 15.7 In case of any differences in accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies and the difference till the Appointed Date will be quantified and adjusted in the Capital Reserve mentioned earlier to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 15.8 Comparative financial information in the financial statements of the Transferee Company shall be restated for the accounting impact of merger, as stated above, as if the merger had occurred from the beginning of the comparative period.
- 15.9 Notwithstanding anything to the contrary contained herein above, the Board of Directors of the Transferee Company, in consultation with its statutory auditors shall be allowed to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the applicable Accounting Standards as notified under Section 133 of the Companies Act, 2013 and the clarifications issued by the Institute of Chartered Accountants of India and generally accepted accounting principles.

16. COMBINATION OF AUTHORISED CAPITAL

- 16.1 Upon the Scheme becoming effective, the authorised share capital of the Transferor Company will get amalgamated with that of the Transferee Company without payment of any additional fees and duties as the said fees have already been paid. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the Registrar of Companies and no separate procedure or instrument or deed or payment of any stamp duty and registration fees shall be required to be followed under the Act.
- 16.2 The existing capital clause V contained in the memorandum of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 61 and 64 of the Act and Section 232 and other applicable provisions of the Act, as set out below:
"V. The Authorised Share Capital of the Company is INR 365,00,00,000 (Rupees Three Hundred and Sixty-Five Crore) divided into 28,00,00,000 number of equity shares (Twenty Eight Crore) of INR 10/- (Rupees Ten only) each and 8,50,00,000 number of preference shares (Eight Crore Fifty Lakh) of INR 10/- (Rupees Ten only) each".
- 16.3 It is clarified that the approval of the Tribunal to the Scheme shall be deemed to be consent / approval of the members of the Transferee Company also to the alteration of the memorandum and articles of association of the Transferee Company as may be required under the Act.

17. CONDUCT OF BUSINESS

- 17.1. The Transferor Company shall carry on business as a Trustee

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With effect from the Appointed Date and up to and including Effective Date, if the Appointed Date is prior to the Effective Date, the Transferor Company shall carry on and shall be deemed to have carried on all the business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Transferor Company on account of and for the benefit of and in trust for, the Transferee Company, as the Transferee Company is taking over the business as going concern. The Transferor Company shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall neither undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for themselves or on behalf of any third parties, sell, transfer, alienate, charge, mortgage or encumber or deal with the assets of the Transferor Company or any part thereof save and except in the ordinary course of business as carried on by them as on the date of filing of this Scheme with the NCLT or if written consent of the Transferee Company has been obtained.

17.2. Profit or Losses up to Effective Date

With effect from the Appointed Date and up to and including the Effective Date, if the Appointed Date is prior to the Effective Date, all profits or incomes accruing or arising to the Transferor Company or all expenditure or losses incurred or arising, as the case may be, by the Transferor Company shall, for all purposes, be treated and deemed to be and accrue as the profits or incomes or expenditures or losses, as the case may be, of the Transferee Company.

17.3. Taxes

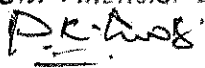
All taxes paid or payable by the Transferor Company in respect of the operations and / or profits of the business before the Appointed Date, shall be on account of the Transferor Company and in so far as it relates to the tax payment by the Transferor Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall in all proceedings be dealt with accordingly.

Any refund under IT the Act or other applicable laws or regulations dealing with taxes allocable or related to the business of the Transferor Company and any consequent to the assessment made on the Transferor Company shall also belong to and be received by the Transferee Company.

- 17.4.** All tax benefits of any nature, duties, cesses or any other like payments or deductions available to the Transferor Company under any Tax Law up to the Effective Date, if the Appointed Date is prior to the Effective Date, shall be deemed to have been on account of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the passing of the order by the NCLT.


18. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of the Scheme, the transfer and vesting of the Transferor Company as per the provisions of the Scheme shall not affect any transactions or proceedings already concluded

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by the Transferor Company on or before the Appointed Date or after the Appointed Date till the Effective Date. The Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company.

19. DISSOLUTION OF THE TRANSFEROR COMPANY AND VALIDITY OF RESOLUTIONS

On the Scheme becoming effective, the Transferor Company shall stand dissolved without winding up and the Board and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the concerned Registrar of Companies.

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For JM Financial Capital Limited
M Shah
Authorised Signatory

For JM Financial Services Ltd
W. Mehta
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**PART D – DEMERGER OF THE DEMERGED UNDERTAKING OF THE DEMERGED COMPANY INTO THE
RESULTING COMPANY**

20. TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING

20.1 Transfer of the Demerged Undertaking

With effect from the Appointed Date and subject to the provisions of the Scheme, the whole of the Demerged Undertaking of Demerged Company shall, pursuant to the sanction of this Scheme by the NCLT and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company without any further act, instrument, deed, matter or things so as to become the Demerged Undertaking of the Resulting Company by virtue of and in the manner provided in the Scheme.

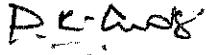
20.2 Transfer of the business on going concern basis

Relevant Business pertaining to Demerged Undertaking of Demerged Company carried on after the Appointed Date and thereon till the Effective Date, shall, under Sections 230 to 232 and other applicable provisions, if any, of the Act, be and stand transferred to, and vested in or be deemed to have been transferred to, and vested in the Resulting Company, on a going concern basis so as to become Demerged Undertaking of the Resulting Company by virtue of and in the manner provided in the Scheme.

20.3 Transfer of Assets

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

- a. All the assets, properties and entitlements comprised in the Demerged Undertaking, of whatsoever nature and wheresoever situated and which are incapable of passing by manual delivery, shall under the provisions of Sections 230 to 232 and all other provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Resulting Company or be deemed to be transferred to or vested in the Resulting Company as a going concern so as to become, as from the Appointed Date, the assets and properties of the Resulting Company.
- b. Investment in JM Financial Institutional Securities Limited shall stand transferred to, and vested in the Resulting Company;
- c. With effect from the Appointed Date, the whole of the Demerged Undertaking of the Demerged Company, shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, stand absolutely and irrevocably transferred to and vested in and/ or deemed to be absolutely and irrevocably transferred to and vested in the Resulting Company, so as to vest in Resulting Company all the rights, titles, interests, shares and securities, claim, privilege, benefit,

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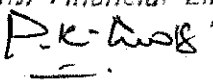
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entitlement, liability, duty, obligation of any nature whatsoever in relation to or arising out of or pertaining to the Demerged Undertaking of the Demerged Company. In so far as the immovable properties of the Demerged Undertaking are concerned, the Resulting Company shall register the certified true copy of the order passed by the NCLT approving the Scheme with the offices of the concerned sub-registrar of assurances and any other authorities as may be required.

- d. Without prejudice to the provisions of the above clauses, in respect of such of the Assets and properties pertaining to Demerged Undertaking of the Demerged Company, as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Demerged Company and shall upon such transfer become the assets and properties of the Resulting Company without requiring any deed or instrument or conveyance for the same. It is clarified that all client agreements, know your customer details, vendor agreements, power of attorneys, data feeds, customers' past and existing transactions pertaining to the customers mapped to the AMFI Registration Number allotted to the Demerged Company and forming part of the Demerged Undertaking, as may be identified by the Demerged Company as on the Appointed Date, shall stand transferred to and vested in the Resulting Company, by operation of law as transmission, as the case may be, in favour of the Resulting Company and shall be deemed to have been entered into by the Resulting Company with such respective parties. The existing AMFI Registration Number of the Demerged Company will continue to service the other customers not forming part of the Demerged Undertaking.
- e. In respect of the movables other than those dealt with in sub-clause (c) above including sundry debtors, receivables, bills, credits, loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances, investments, earnest monies and deposits, if any, with any Government, Semi-Government, local and other authorities and bodies, with any company or other person, pertaining to the Demerged Undertaking of the Demerged Company, shall, if required, give notice in such form as they may deem fit and proper, to each person, debtor or depositor, as the case may be, that pursuant to the NCLT having sanctioned the demerger of the Demerged Undertaking of the Demerged Company with the Resulting Company, under Sections 230 to 232 of the Act, the said debt, loan, advance or deposit be paid or made good or held on account of the Resulting Company as the person entitled thereto and that appropriate entry should be passed in its books to record the aforesaid change. The Resulting Company shall, if required, also give notice in such form as it may deem fit and proper to each person, debtor or depositor that, pursuant to NCLT having sanctioned the demerger of the Demerged Undertaking of the Demerged Company with the Resulting Company under Sections 230 to 232 of the Act, the said debt, loan, advance, balance or deposit be paid or made good or held on account of the Resulting Company.
- f. All the relevant licenses, permits, quotas, approvals, trademarks, brands, permissions, registrations, incentives, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Demerged Company pertaining to Demerged Undertaking,

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respectively, and all rights and benefits that have accrued or which may accrue to the Demerged Company pertaining to the Demerged Undertaking, whether before or after the Appointed Date, shall pursuant to the provisions of Section 230 to 232 of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to or vested in and be available to the Resulting Company so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Resulting Company and shall remain valid, effective and enforceable on the same terms and conditions.

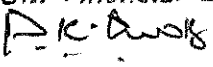
- g. All assets and properties comprised in the Demerged Undertaking of the Demerged Company as on the Appointed Date, whether or not included in the books of the Demerged Company, and all assets and properties pertaining to the Demerged Undertaking, which are acquired by the Demerged Company, on or after the Appointed Date, shall be deemed to be and shall become assets and properties of the Resulting Company by virtue of and in the manner provided in this Scheme.

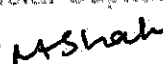
20.4 Transfer of Liabilities

20.4.1. Without prejudice to the generality of the above clauses, upon coming into effect of this Scheme and with effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties, obligations of every kind, nature and description of the Demerged Company pertaining to the Demerged Undertaking shall pursuant to the sanction of the Scheme by the NCLT and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Resulting Company so as to become, as from the Appointed Date, the debts, liabilities, contingent liabilities, duties, obligations of the Resulting Company on the same terms and conditions as were applicable to the Demerged Company and further 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, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this clause. After the Effective Date, Resulting Company undertakes to meet, discharge and satisfy the said liabilities to the exclusion of the Demerged Company.

20.4.2. The transfer of properties/ assets and liabilities to and the continuance of proceedings by the Resulting Company as above, shall not affect any transaction or proceedings already concluded by the Demerged Company till, on or after the Appointed Date and till the Effective Date to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company in relation to the Demerged Undertaking, in regard thereto as done and executed by the Resulting Company on its own behalf. Furthermore, as from the Appointed Date, the Demerged Company shall be deemed to have carried on and to be carrying on the business on behalf of and in trust for the Resulting Company until such time as the Scheme takes effect.

20.4.3. It is clarified that all owing, liabilities, duties and obligations of the Demerged Company pertaining to the Demerged Undertaking as on the Appointed Date whether provided for or not

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in the books of accounts of the Demerged Company and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or after the Appointed Date up to the Effective Date shall be the debts, liabilities, duties and obligations of the Resulting Company including any encumbrance on the assets of the Demerged Company pertaining to the Demerged Undertaking or on any income earned from those assets.

20.4.4. Loans, debt securities, debentures or other obligations, if any, due between or amongst the Demerged Company pertaining to Demerged Undertaking and the Resulting Company shall stand cancelled and discharged and there shall be no liability in that behalf with effect from the Appointed Date.

20.5 Transfer of Assets subject to Charge

20.5.1 The transfer as aforesaid shall be subject to charges / hypothecations / mortgages over the assets or any part thereof provided, however, that any reference in any security document or any arrangements pertaining to the Demerged Undertaking to which the Demerged Company is a party, to the assets or properties of the Demerged Company offered as security for any financial assistance or obligations to the secured creditor/s of the Demerged Company, shall be construed only to be to the respective assets or properties pertaining to the Demerged Undertaking of the Demerged Company as are vested in the Resulting Company by virtue of this clause to the end and intent that such security, mortgage and charge shall not extend or be deemed to extend to any assets or any other units or divisions of the Resulting Company unless specifically agreed to by the Resulting Company with such secured creditor/s and subject to consents and approvals of the existing secured creditors of the Resulting Company, if any. This Scheme shall not operate to enlarge/ enhance any security created by the Resulting Company.

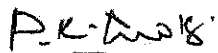
20.5.2 All the assets and liabilities of the Demerged Company pertaining to Demerged Undertaking as appearing in its books of accounts as on the Appointed Date shall be incorporated and dealt with in books of the Resulting Company as provided in the Scheme.

20.5.3 Without prejudice to the above provisions, with effect from the Appointed Date, in relation to Demerged Undertaking, all inter-party transactions between the Demerged Company and the Resulting Company per se shall be considered as intra-party transactions for all purposes from the Appointed Date.

21. STAFF, WORKMEN & EMPLOYEES

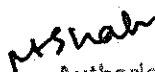
21.1 The Resulting Company will take over all the staff in the service of the Demerged Company pertaining to the Demerged Undertaking immediately preceding Appointed Date, and that they shall become the staff and employees, of the Resulting Company on the basis that their services shall be deemed to have been continuous and not have been interrupted by reasons of the said transfer. The terms and conditions of service applicable to such staff or employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately preceding the transfer.

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21.2 As far as Provident Fund, Gratuity Fund or any other Special Fund(s) or scheme(s) (hereinafter referred as "Fund" or "Funds") existing for the benefit of the employees pertaining to the Demerged Undertaking is concerned, upon the Scheme becoming effective, the Resulting Company shall be substituted for the Demerged Company for all purposes whatsoever related to the administration / operation of such Funds or schemes or in relation to the obligation to make contribution to the said Funds or schemes in accordance with provisions of such Funds or Schemes or according to the terms provided in the respective Trust Deeds or other documents. All the rights, duties, powers and obligations of the Demerged Company in relation to the Demerged Undertaking, shall become those of the Resulting Company and the services of the employees will be treated as being continuous for the purpose of the aforesaid Funds or Schemes.

22. LEGAL PROCEEDINGS

If any suit, appeal or proceedings of whatsoever nature (hereinafter referred to as "the said proceedings") by or against the Demerged Company pertaining to the Demerged Undertaking be pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the transfer of the Demerged Undertaking of the Demerged Company or by anything in this Scheme, but the said proceedings may be continued, prosecuted and enforced, as the case may be, by or against the Resulting Company in the same manner and to the same extent as it would be or might have been continued and enforced, as the case may be, by or against the Demerged Company if this Scheme had not been made. On and from the Appointed Date, the Resulting Company may initiate any legal proceeding for and on behalf of the Demerged Company.

23. THE TRANSFER OF DEMERGED UNDERTAKING NOT TO AFFECT TRANSACTIONS / CONTRACTS OF DEMERGED COMPANY

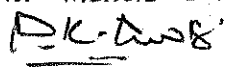
The transfer and vesting of the Demerged Undertaking under Clause 20 hereof and the continuance of the said proceedings by or against the Resulting Company hereof shall not affect any transaction or proceedings already concluded by or against the Demerged Company after the Appointed Date to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done or executed by the Demerged Company after the Appointed Date as done and executed on its behalf. The said transfer and vesting pursuant to Sections 230 to 232 of the Act, shall take effect from the Appointed Date unless the NCLT otherwise directs.

24. CONSIDERATION / ISSUE OF SHARES

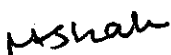
24.1 Upon coming into effect of the Scheme, and in consideration for the transfer and vesting of the Demerged Undertaking of the Demerged Company into the Resulting Company, there will be no issue and allotment of any shares by the Resulting Company, since the Demerged Company is a wholly owned subsidiary of the Resulting Company and the entire equity share capital and preference share capital is held by the Resulting Company.

24.2 The Resulting Company undertakes not to transfer any of the shares held by it in the Demerged Company till the Scheme is concluded.

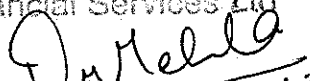
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25. ACCOUNTING TREATMENT

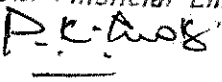
Upon the Scheme becoming effective and with effect from the Appointed Date, the demerger of the Demerged Undertaking from Demerged Company with the Resulting Company shall be as under:

In the books of Demerged Company:

- 25.1 Upon the Scheme becoming effective, the Demerged Company shall reduce the book value of assets, liabilities and reserves pertaining to the Demerged Undertaking, respectively transferred to Resulting Company.
- 25.2 The excess of the book value of assets transferred over the book value of liabilities transferred shall be adjusted against the Retained Earnings of the Demerged Company.

In the books of Resulting Company:

- 25.3 The Resulting Company shall account for the Scheme in its books/ financial statements upon receipt of all relevant/ requisite approvals for the Scheme, from Appointed Date as per "Pooling of Interests Method" under Appendix C of Indian Accounting Standard (IndAS) 103, Business Combinations notified under the Companies (Indian Accounting Standards) Rules, 2015, and any other relevant Indian Accounting Standard prescribed under Section 133 of the Companies Act, 2013 as amended from time to time, including as provided herein below:
- i. All the assets and liabilities of the Demerged Undertaking shall be recorded in the financial statements of the Resulting Company at the carrying value as appearing in the financial statements of the Demerged Company, as on the Appointed Date.
 - ii. The identity of the reserves pertaining to the Demerged Undertaking shall be preserved and shall appear in the financial statements of the Resulting Company in the same form in which they appeared in the financial statements of the Demerged Company, and it shall be aggregated with the corresponding balance appearing in the financial statements of Resulting Company, as on the Appointed Date.
 - iii. To the extent that there are inter-company loans, deposits, obligations, balances or other outstanding including any interest thereon, as between the Resulting Company and the Demerged Company, insofar as it pertains to the Demerged Undertaking, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Resulting Company for the reduction of such assets or liabilities as the case may be.
 - iv. The excess / deficit of the value of the assets over the value of liabilities of the Demerged Undertaking, pursuant to demerger of the Demerged Undertaking, and as recorded in the books of account of Demerged Company shall, after adjusting the amount recorded in clauses 25.3(ii) to 25.3(iii) above, be recorded as 'Capital Reserve' in the books of the

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Resulting Company and shall be presented separately from other capital reserves with disclosure of its nature and purpose in the notes.

- v. Notwithstanding anything to the contrary contained herein above, the Board of Directors of the Resulting Company, in consultation with its statutory auditors shall be allowed to account for any of these balances in any manner whatsoever, as may be deemed fit, in accordance with the applicable Accounting Standards as notified under Section 133 of the Companies Act, 2013 and the clarifications issued by the Institute of Chartered Accountant of India and generally accepted accounting principles.

26. CONDUCT OF BUSINESS

26.1. The Demerged Company in relation to the Demerged Undertaking as Trustee


With effect from the Appointed Date and up to and including the Effective Date, if the Appointed Date is prior to the Effective Date, the Demerged Company in relation to the Demerged Undertaking shall carry on and shall be deemed to have carried on all their business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Demerged Company in relation to the Demerged Undertaking on account of and for the benefit of and in trust for, the Resulting Company, as the Resulting Company is taking over the business as going concern. The Demerged Company in relation to the Demerged Undertaking shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall neither undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for themselves or on behalf of any third parties, sell, transfer, alienate, charge, mortgage or encumber or deal with the assets of the Demerged Company in relation to the Demerged Undertaking or any part thereof save and except in the ordinary course of business as carried on by them as on the date of filing of this Scheme with the NCLT or if written consent of the Resulting Company has been obtained.

26.2. Profit or Losses up to Effective Date

With effect from the Appointed Date and up to and including the Effective Date, if the Appointed Date is prior to the Effective Date, all profits or incomes accruing or arising to the Demerged Company in relation to the Demerged Undertaking or all expenditure or losses incurred or arising, as the case may be, by the Demerged Company in relation to the Demerged Undertaking shall, for all purposes, be treated and deemed to be and accrue as the profits or incomes or expenditures or losses, as the case may be, of the Resulting Company.

26.3. Taxes

All taxes paid or payable by the Demerged Company in relation to the Demerged Undertaking in respect of the operations and / or profits of the business before the Appointed Date, shall be on account of the Demerged Company in relation to the Demerged Undertaking and in so far as it relates to the tax payment by the Demerged Company in relation to the Demerged Undertaking in respect of the profits or activities or operation of the business after the Appointed Date, the

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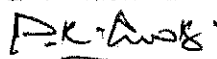
same shall be deemed to be the corresponding item paid by the Resulting Company and shall in all proceedings be dealt with accordingly.

- 26.4. All taxes benefits of any nature, duties, cesses or any other like payments or deductions available to the Demerged Company in relation to the Demerged Undertaking under any Tax Law up to the Effective Date, if the Appointed Date is prior to the Effective Date, shall be deemed to have been on account of or paid by the Resulting Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to the Resulting Company upon the passing of the order by the NCLT.
- 26.5. The Resulting Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Resulting Company may require to carry on the business of the Demerged Company in relation to the Demerged Undertaking.
- 26.6. Upon the Scheme becoming effective, the Main Objects as well as relevant incidental objects of the Memorandum of Association of the Demerged Company in relation to Demerged Undertaking, shall form part of the Memorandum of Association of the Resulting Company.

27. ENFORCEMENT OF CONTRACTS, DEEDS, BONDS & OTHER INSTRUMENTS

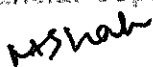
- 27.1 Subject to other provisions contained in this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatever nature pertaining to the Demerged Undertaking to which the Demerged Company is a party, subsisting or having effect immediately before the Demerger, shall remain in full force and effect against or, as the case may be, in favour of the Resulting Company and may be enforced as fully and effectively as if instead of the Demerged Company, the Resulting Company was a party thereto. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking occurs by virtue of this Scheme itself, the Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds, confirmations or other writings or arrangements to which the Demerged Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company to be carried out or performed.
- 27.2 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company pertaining to the Demerged Undertaking shall stand transferred to the Resulting Company and the Resulting Company shall be bound by the terms thereof, the obligations and duties there under, and the rights and benefits under the same shall be available

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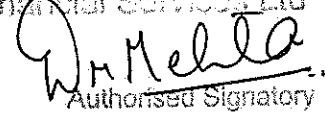
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to the Resulting Company. The Resulting Company shall receive relevant approvals from the Government Authorities concerned as may be necessary in this behalf.

28. DIVIDEND, BONUS /RIGHT SHARES

28.1 The Demerged Company shall be permitted to declare and pay dividends, whether interim or final, to its equity shareholders in respect of the accounting period prior to the Appointed Date.

28.2 Till such time as the Scheme becomes effective, the Demerged Company shall not, except with the consent of the Board of Directors of the Resulting Company, issue or allot any rights shares or bonus shares.

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For JM Financial Capital Limited
M. Shah
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For JM Financial Services Ltd
W.M. Mehla
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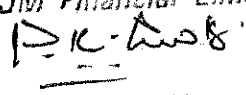
PART E - GENERAL TERMS AND CONDITIONS

29. APPLICATION TO NCLT

- 29.1 The Transferor Company, the Transferee / Demerged Company and the Resulting Company shall make necessary joint or separate applications and/ or petitions for the sanction of this Scheme and all matters ancillary or incidental thereto to the NCLT under the provisions of law and obtain all approvals as may be required under the law.
- 29.2 It is prayed to the NCLT to sanction this Scheme, with or without modification(s).

30. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 30.1 Subject to approval of NCLT, the respective Boards or the respective authorised representative appointed by the Board of the Transferor Company, the Transferee / Resulting Company and Demerged Company (on behalf of all parties concerned including but not limited to their respective shareholders and/or creditors and/or stakeholders), may assent to any modifications, alterations or amendments of this Scheme or any conditions which the NCLT and / or any other competent authority may deem fit to direct or impose and the said respective Boards, may do all such acts, things and deeds necessary in connection with or to carry out the Scheme into effect and take such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any order of the NCLT or any directions or order of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and / or matters concerned or connected therewith.
- 30.2 In the event of any of the conditions that may be imposed by the NCLT or other authorities which the Transferor Company, the Resulting Company or the Transferee / Demerged Company may find unacceptable for any reason, in whole or in part, then the Transferor Company, the Resulting Company or the Transferee/Demerged Company are at liberty to withdraw the Scheme. In such a case, the Transferor Company, the Resulting Company or the Transferee/Demerged Company shall respectively bear their own cost or as may be mutually agreed.
- 30.3 The Transferor Company, the Resulting Company and the Transferee/Demerged Company by their respective Board of Directors be and are hereby authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, 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.
- 30.4 The Transferor Company, the Resulting Company and the Transferee/Demerged Company, in their full and absolute discretion, may withdraw this Scheme or any part of the Scheme prior to the Scheme becoming effective at any time. It is hereby clarified that notwithstanding anything to the contrary contained in this Scheme, the Transferor Company, the Resulting Company or Transferee/Demerged Company shall not be entitled to withdraw the Scheme unilaterally without the prior written consent of the other.

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31. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

The Scheme is conditional upon and subject to:

- 31.1 The approval by the requisite majorities of the respective members and/or creditors (where applicable) of the Transferor Company or Resulting Company or Demerged Company/ Transferee Company, if directed by the NCLT or any other competent authority, as may be applicable;
- 31.2 The sanction of the Scheme by the NCLT under Sections 230 to 232 of the Act;
- 31.3 The requisite order(s) of the NCLT being obtained for sanctioning the Scheme under Sections 230 to 232 of the Act, being filed with the concerned Registrar of Companies;
- 31.4 The requisite consent, approval, or permission of the SEBI, and requisite intimation to the SEBI or any other Appropriate Authority, which by Applicable Law or contract, agreement, may be necessary for the effective transfer of licenses, registrations, and the business and/ or implementation of the relevant parts of the Scheme;
- 31.5 Approval of the Scheme by Reserve Bank of India, if any required, including formal recordal of surrender of NBFC license, as required by the Reserve Bank of India.
- 31.6 The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if it is approved in its entirety unless specifically agreed otherwise by Transferor Company or Resulting Company, Demerged Company / Transferee Company and by their respective Board of Directors or any Committee constituted by them.

32. OPERATIVE DATE OF THE SCHEME

The Scheme, although operative from the Appointed Date, as the case may be, shall become effective from the Effective Date.

33. BINDING EFFECT

Upon the Scheme becoming effective, the same shall be binding on the Transferor Company, Resulting Company and Transferee / Demerged Company and all concerned parties including but not limited to their shareholders, creditors, employees, stakeholders, sectoral regulators, etc. without any further act, deed, matter or thing.

34. EFFECT OF NON-RECEIPT OF APPROVALS

In the event any of the said approvals or sanctions referred to in Clause 31 above not being obtained or conditions enumerated in the Scheme not being complied with, or for any other reason, the Scheme cannot be implemented, the Boards of Directors or Committee empowered thereof of the Transferor Company, Resulting Company and Transferee / Demerged Company shall by mutual agreement waive such conditions as they consider appropriate to give effect, as

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far as possible, to this Scheme and failing such mutual agreement, the Scheme shall become null and void and shall stand revoked, cancelled and be of no effect and each party shall bear and pay their respective costs, charges and expenses in connection with the Scheme.

35. GIVING EFFECT TO THE SCHEME

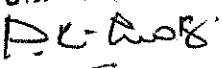
For the purpose of giving effect to the Scheme, the Board of Directors of the Transferor Company, Resulting Company and Transferee / Demerged Company or any Committee thereof, is authorised to give such directions as may be necessary or desirable and to settle as they may deem fit, any question, doubt or difficulty that may arise in connection with or in the working of the Scheme and to do all acts, deeds and things necessary for carrying into effect the Scheme.

36. EFFECT OF SCHEME NOT GOING THROUGH

In the event of this Scheme failing to take finally effect for whatsoever reasons, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter se between the parties or their Shareholders or Creditors or employees or any other person.

37. COSTS

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) in relation to the Scheme shall be borne by the Demerged Company / Transferee Company or the Resulting Company.

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