

# Price Waterhouse & Co Chartered Accountants LLP

To,  
The Board of Directors  
Tata Steel Limited  
Bombay House  
24, Homi Mody Street  
Fort, Mumbai - 400001

TRUE COPY  
TATA STEEL LIMITED

*Parvathesam*  
(PARVATHEESAM KANCHINADHAM)  
COMPANY SECRETARY &  
CHIEF LEGAL OFFICER (CORPORATE & COMPLIANCE)

**Auditor's Certificate on compliance of the proposed accounting treatment in the Draft Scheme of Amalgamation and the resultant entity's capability of payment of interest/ repayment of principal with SEBI Listing Regulations, Circulars and the applicable accounting standards**

- 1) This certificate is issued in accordance with the terms of our agreement dated February 6, 2023 read with addendum thereto dated February 27, 2023 and supersedes our certificate dated February 6, 2023.
- 2) We, the statutory auditors of Tata Steel Limited (hereinafter referred to as "the Company" or the "Transferee Company"), have examined -
  - (a) the proposed accounting treatment specified in clause 17.1 of Part II of the Draft Scheme of Amalgamation of Angul Energy Limited (the "Transferor Company") with Tata Steel Limited (the "Draft Scheme") as approved by the Board of Directors of the Company in their meeting held on February 6, 2023, in terms of the provisions of sections 230 to 232 of the Companies Act, 2013 (the "Act") with reference to its compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations") and the Master Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 issued by SEBI (the "Master Circular"), and the applicable accounting standards specified under Section 133 of the Act (the 'applicable accounting standards') and other generally accepted accounting principles.
  - (b) Further, we have examined the underlying Management Declaration in terms of certification requirement under Chapter XII read with Operational Circular no. SEBI/HO/DDHS/ DDHS\_Div1/P/CIR/2022/0000000103 dated July 29, 2022 and amended as on December 1, 2022 (the "Operational Circular").

We have initialled the Draft Scheme and Management Declaration for identification purposes only.

## Management's Responsibility

- 3) The responsibility for the preparation of the Draft Scheme and its compliance with the Act and SEBI Listing Regulations, the Master Circular and Management Declaration in compliance with the Operational Circular, including the applicable accounting standards and other generally accepted accounting principles as aforesaid, is that of the Board of Directors of the Company.

## Auditor's Responsibility

- 4) Pursuant to the requirements of proviso to sub-section (7) of section 230 of the Act read with the Master Circular, our responsibility is to examine the Draft Scheme and certify whether the accounting treatment contained in clause 17.1 of Part II of the Draft Scheme is in compliance with the SEBI Listing Regulations, to the extent applicable and the Master Circular and the applicable accounting standards specified under Section 133 of the Act and other generally accepted accounting principles.

Price Waterhouse & Co Chartered Accountants LLP, 7th & 10th Floor, Menon Eternity, 265, So. Mary's Road, Annurpet  
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Registered office and Head office: Plot No. 56&57, Block DN, Sector-V, Salt Lake, Kolkata - 700 091

Price Waterhouse & Co (a Partnership Firm) converted into Price Waterhouse & Co Chartered Accountants LLP (a Limited Liability Partnership with LLP Identity no: LLPIN AAC-4362) with effect from July 7, 2014. Post its conversion to Price Waterhouse & Co Chartered Accountants LLP, its ICAI registration number is 304026E/E300000 (ICAI registration number before conversion was 304026E)



## Price Waterhouse & Co Chartered Accountants LLP

- 5) In addition to the responsibility as set out in paragraph 4 above, we are required to comment whether the Transferee Company, which is also the resultant entity, is capable of payment of interest/ repayment of principal in respect of loans / borrowings as set out in the Management Declaration. In respect of certification of this subject matter, our examination is based on the audited financial statements of the Transferor Company for the nine months ended December 31, 2022 and the other financial information and records.
- 6) We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes ("Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- 7) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Conclusion

- 8) Based on our examination and according to the information and explanations given to us,
  - (a) pursuant to the requirements of proviso to sub-section (7) of section 230 of the Act read with the Master Circular, we confirm that the accounting treatment contained in clause 17.1 of Part II of the Draft Scheme is in compliance with the SEBI Listing Regulations, to the extent applicable, and the Master Circular and the applicable accounting standards specified under Section 133 of the Act, and other generally accepted accounting principles.
  - (b) the loans / borrowings of the Transferor Company as mentioned in the Management Declaration is from the Transferee Company and will get discharged as set out in clause 12.2.9 of the Draft Scheme upon the Scheme becoming effective. Accordingly, in connection with compliance of the Operational Circular, the question of commenting on the resultant entity's capability of payment of interest/ repayment of principal of the borrowings of the Transferor Company, does not arise.

### Emphasis of Matter

- 9) We draw your attention to Clause 8.1 of Part I of the Draft Scheme which states that the Draft Scheme shall be effective from appointed date but shall be operative from the effective date; and Clause 12.1 of Part II which requires all assets and liabilities of the Transferor Company to be transferred with effect from the appointed date and upon the Draft Scheme being effective. Effective Date as defined under clause 9.1(h) of Part I provides for certain conditions to be fulfilled for the Draft Scheme to be effective. However, Clause 17.1 of Part II of the Draft Scheme require the accounting treatment to be carried out in accordance with applicable Indian Accounting Standards, i.e., from the beginning of the preceding period in the financial statements or from the date when common control was established in respect of the Transferor Company, whichever is later, as prescribed under Ind AS 103 'Business Combinations'.

Our conclusion is not modified in respect of this matter.

### Restriction on Use

- 10) Our work was performed solely to assist you in meeting the requirements of the Act, the Master Circular and Management Declaration in compliance with the Operational Circular to enable the Company to file the Draft Scheme with the Stock Exchanges and the National Company Law Tribunal (NCLT). Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have as auditors of the Company or otherwise. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.

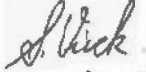


## **Price Waterhouse & Co Chartered Accountants LLP**

- 11) This Certificate is issued at the request of the Board of Directors of the Company to whom it is addressed, for onward submission to the Stock Exchanges and the NCLT and should not be used for any other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For **Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration Number: 304026E/E-300009



**Subramanian Vivek**

Partner

Membership No.: 100332

UDIN: 23100332BGYVTK8541

Place: Mumbai

Date: February 27, 2023





Statement pursuant to requirement under Chapter XII of the Operational Circular no. SEBI/HO/DDHS/DDHS\_Div1/P/CIR/2022/000000103 dated July 29, 2022 and amended as on December 1, 2022 (the "Operational Circular")

1. This is regarding the Scheme of Amalgamation of Angul Energy Limited (the "Transferor Company") with Tata Steel Limited (hereinafter referred to as the "Company" or the "Transferee Company") as approved by the Board of Directors of the Company in their meeting held on February 6, 2023 (the "Scheme")
2. Pursuant to compliance requirement in Para (A)(6) of Part I of Annex XII-A under Chapter XII of the Operational Circular in connection with the Scheme, the management of the Company has reviewed the outstanding principal in respect of loans/ borrowings and interest thereon as at December 31, 2022 in the books of the Transferor Company.
3. The Management of the Company hereby confirms that the total outstanding principal in respect of loans/ borrowings and interest thereon, as at December 31, 2022 in the books of Transferor Company is payable to the Company, all of which will get discharged as set out in clause 12.2.9 of the aforesaid Scheme upon the Scheme becoming effective.
4. Accordingly, in connection with compliance requirements of the provisions of the Operational Circular mentioned in para 2 above, in the assessment of Transferee Company (which is also the resultant entity), the capability of payment of interest/ repayment of principal in respect of loans/ borrowings of the Transferor Company, does not arise.

Tata Steel Limited

Parvathesam Kanchinadham  
Company Secretary &  
Chief Legal Officer (Corporate & Compliance)

Place: Mumbai

Date: February 27, 2023



**TATA STEEL LIMITED**

Registered Office: Bombay House 24 Horni Mody Street Fort Mumbai 400 001 India  
Tel: 91 22 6665 8282 Fax: 91 22 6665 7724 website: www.tatasteel.com  
Corporate Identity Number: L27108MH1 007PLC000280

# Price Waterhouse & Co Chartered Accountants LLP

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The Board of Directors  
Tata Steel Limited  
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## Price Waterhouse & Co Chartered Accountants LLP

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- 8) Based on our examination and according to the information and explanations given to us,
  - (a) pursuant to the requirements of proviso to sub-section (7) of section 230 of the Act read with the Master Circular, we confirm that the accounting treatment contained in clause 17.1 of Part II of the Draft Scheme is in compliance with the SEBI Listing Regulations, to the extent applicable, and the Master Circular and the applicable accounting standards specified under Section 133 of the Act, and other generally accepted accounting principles.
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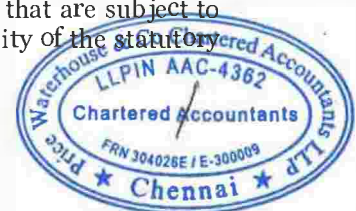
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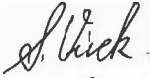


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**For Price Waterhouse & Co Chartered Accountants LLP**

Firm Registration Number: 304026E/E-300009



**Subramanian Vivek**

Partner

Membership No.: 100332

UDIN: 23100332BGYVTK8541

Place: Mumbai

Date: February 27, 2023



**Statement pursuant to requirement under Chapter XII of the Operational Circular no. SEBI/HO/DDHS/DDHS\_Div1/P/CIR/2022/0000000103 dated July 29, 2022 and amended as on December 1, 2022 (the "Operational Circular")**

1. This is regarding the Scheme of Amalgamation of Angul Energy Limited (the "Transferor Company") with Tata Steel Limited (hereinafter referred to as the "Company" or the "Transferee Company") as approved by the Board of Directors of the Company in their meeting held on February 6, 2023 (the "Scheme")
2. Pursuant to compliance requirement in Para (A)(6) of Part I of Annex XII-A under Chapter XII of the Operational Circular in connection with the Scheme, the management of the Company has reviewed the outstanding principal in respect of loans/ borrowings and interest thereon as at December 31, 2022 in the books of the Transferor Company.
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4. Accordingly, in connection with compliance requirements of the provisions of the Operational Circular mentioned in para 2 above, in the assessment of Transferee Company (which is also the resultant entity), the capability of payment of interest/ repayment of principal in respect of loans/ borrowings of the Transferor Company, does not arise.

**Tata Steel Limited**

*Parvatheesam*

**Parvatheesam Kanchinadham**  
Company Secretary &  
Chief Legal Officer (Corporate & Compliance)

Place: Mumbai

Date: February 27, 2023



**TATA STEEL LIMITED**

Registered Office Bombay House 24 Homi Mody Street Fort Mumbai 400 001 India  
Tel 91 22 6665 8282 Fax 91 22 6665 7724 website www.tatasteel.com  
Corporate Identity Number L27100MH1907PLC000260



**SCHEME OF AMALGAMATION**

**UNDER SECTIONS 230 to 232 OF THE COMPANIES ACT, 2013**

**AMONGST**

**Tata Steel Limited..... Transferee Company**

**AND**

**Angul Energy Limited .....Transferor Company**

**AND**

**their respective shareholders**

TRUE COPY  
TATA STEEL LIMITED  
*Parvatheswari Kanchan*  
(PARVATHESWARI KANCHAN)  
COMPANY SECRETARY &  
CHIEF LEGAL OFFICER (CORPORATE & COMPLIANCE)



## SCHEME OF AMALGAMATION

The Scheme is divided into the following parts:

Part	Particulars
I	General-Preamble, background of the Companies, need for the Scheme, rationale and objective of the Scheme, synergies of business of the entities involved in the Scheme, impact of the Scheme on shareholders, cost benefit, effectiveness of the Scheme, definitions and interpretation and share capital of the Companies
II	Amalgamation of the Transferor Company into and with the Transferee Company
III	General terms and conditions

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



## PART I- GENERAL

### 1. PREAMBLE

- 1.1 This scheme of amalgamation is presented under Sections 230 to 232 and other applicable provisions of the Act (*as defined hereinafter*) amongst Tata Steel Limited, Angul Energy Limited (formerly Bhushan Energy Limited) and their respective shareholders.
- 1.2 This scheme of amalgamation (hereinafter referred to as the "**Scheme**") provides for the merger of the Transferor Company (*as defined hereinafter*) with the Transferee Company (*as defined hereinafter*), pursuant to Sections 230 to 232 and other relevant provisions of the Act, such that:
- (a) all the assets of the Transferor Company, shall become the property of the Transferee Company, by virtue of this amalgamation;
  - (b) all the liabilities of the Transferor Company, shall become the liabilities of the Transferee Company, by virtue of this amalgamation;
  - (c) cancellation of all the issued share capital of the Transferor Company which shall be affected as a part of the Scheme and not in accordance with Section 66 of the Act and payment to all the shareholders of the Transferor Company (other than the Transferee Company) cash consideration as per the approved valuation report, without any further act, instrument or deed, in accordance with Part II of this Scheme;
  - (d) transfer of the authorised share capital of the Transferor Company to the Transferee Company as provided in Part III of this Scheme, and consequential increase in the authorised share capital of the Transferee Company as provided in Part III of this Scheme; and
  - (e) dissolution of the Transferor Company, without being wound up.

### 2. BACKGROUND

#### 2.1 Tata Steel Limited

- (a) Tata Steel Limited is a listed public company incorporated under the Companies Act, 1882 (and an existing company under the Act) and has its registered office at Bombay House, 24, Homi Mody Street, Fort, Mumbai- 400001, Maharashtra ("**Transferee Company**"). The Corporate Identification Number of the Transferee Company is L27100MH1907PLC000260.
- (b) The Transferee Company was incorporated on August 26, 1907.
- (c) The Transferee Company is one of the leading global steel companies, with over 100 (hundred) years of experience in the steel sector and is a pioneer of steel manufacturing in India. The Transferee Company is also amongst the lowest cost integrated steel manufacturers in India, with 100% (hundred percent) captive iron ore sources. With its wide portfolio of downstream, value-added and branded products, the Transferee Company caters to customers across all segments through its well-established distribution network. It has operations in India, Europe and South East Asia. Tata Steel Group is one of the prominent geographically diversified steel producers. In addition, it has access to deep end of the markets and customer through its vast sales and distribution network.



- (d) Raw material operations of the Transferee Company are located in India, Mozambique, and Canada. Manufacturing facilities are located in India, Thailand, Netherlands, and United Kingdom with cumulative crude steel capacity being 34 (thirty four) million tons per annum. The Transferee Company is structured into several strategic business units aligned to product categories including, flat products, long products, tubes, wires, bearings, ferro-alloys, etc. The Transferee Company has been aiming to increase resilience of the business to steel business cycles by developing knowledge and intellectual property in new materials. Transferee Company has been foraying into areas such as composites, graphene, and advanced ceramics.
- (e) The equity shares of the Transferee Company are listed on the BSE Limited ("BSE") and the National Stock Exchange of India limited ("NSE") (hereinafter collectively referred as the "Stock Exchanges"). The global depository receipts of the Transferee Company are listed on the Luxembourg Stock Exchange and the London Stock Exchange. Further, the unsecured redeemable non-convertible debentures ("NCDs") of the Transferee Company are listed on the wholesale debt market segments of the BSE.

## 2.2 Angul Energy Limited (formerly known as Bhushan Energy Limited)

- (a) Angul Energy limited is an unlisted public company incorporated under the provisions of the Companies Act, 1956 (and an existing company under the Act) and has its registered office at Ground Floor, Mira Corporate Suites, Plot No. 1 & 2, Ishwar Nagar, Mathura Road, New Delhi 110065 ("Transferor Company"). The Corporate Identification Number of the Transferor Company is U40105DL2005PLC140748.
- (b) The Transferor Company was incorporated on September 14, 2005 as Bhushan Energy Private Limited with the Registrar of Companies, New Delhi. Subsequently, its name was changed to Bhushan Energy Limited pursuant to the certificate of incorporation dated December 19, 2006 issued by the Registrar of Companies, New Delhi. Thereafter, the Transferor Company's name was changed to Angul Energy Limited pursuant to the certificate of incorporation dated February 27, 2020 issued by the Registrar of Companies, New Delhi.
- (c) The Transferor Company is engaged in the business of generation of thermal power. The power plant of the Transferor Company is located at district Angul, Odisha with a total capacity of 485MW. The Transferor Company's power plant is situated at a distance of approximately 1.4 kms from the Meramandali plant of the Transferee Company. The Transferor Company's plant is a captive power plant of the Transferee Company and is currently operating as an external processing agent by converting coal into power. The objects clause of the memorandum of association of the Transferor Company authorises the Transferor Company to carry on the aforesaid business.
- (d) The Transferor Company is a subsidiary company of the Transferee Company, with the Transferee Company holding 99.99% of the issued and paid-up capital of the Transferor Company, as on the date of the approval of the Scheme by the Board.

## 3. NEED FOR THE SCHEME

- 3.1 The Transferee Company is one of the leading global steel companies, with over 100 (hundred) years of experience in the steel sector and is a pioneer of steel manufacturing in India. The Transferee Company also operates coal and waste heat recovery-based captive power plants to cater its power requirement.



- 3.2 The Transferor Company is engaged in the business of generation of thermal power and has entered into a tolling arrangement with the Transferee Company and is operating as an external processing agent of the Transferee Company by converting coal into power.
- 3.3 The amalgamation will consolidate the business of the Transferor Company and the Transferee Company which will result in focused growth, operational efficiencies, and enhance business synergies. In addition, the resulting corporate holding structure will bring enhanced agility to business ecosystem of the merged entity.

#### 4. RATIONALE AND OBJECTIVE OF THE SCHEME

- 4.1 The amalgamation will ensure consolidation of all power assets under a single entity, which will increase system agility for power generation and allocation. It will help the Transferee Company to improve its plant reliability, ensuring steady source of power supply while optimising cost. Further, such restructuring will lead to simplification of group structure by eliminating multiple companies in similar operation.
- 4.2 The Companies believe that the financial, managerial and technical resources, personnel, capabilities, skills, expertise and technologies of the Companies pooled in the merged entity, will lead to optimum use of infrastructure, rationalisation of cost in the areas of operations and administrative overheads, thereby maximising shareholder value of the merged entity.

#### 5. SYNERGIES OF BUSINESS OF THE ENTITIES INVOLVED IN THE SCHEME

- 5.1 The proposed Scheme would result in the following synergies:
- (a) **Operational efficiencies:** The amalgamation is expected to result in better alignment, optimized power cost, sharing of best practices, cross-functional learnings and better utilisation of common facilities. It would result in synergy benefits arising out of single value chain thereby optimising costs and increasing operational efficiencies.
- (b) **Improving asset utilization:** The Transferee Company's technical expertise and financial resources can be used to eliminate congestion in Transferor Company's operations to improve plant load factor. This will also allow surplus capacity to be monetized by wheeling surplus power to the grid for utilization at different locations of the Transferee Company.
- (c) **Simplified structure and management efficiency:** In line with group level SS strategy – simplification, synergy, scale, sustainability, and speed, the amalgamation will simplify group holding structure, improve agility to enable quicker decision making, eliminate administrative duplications, consequently reducing administrative costs of maintaining separate entities.
- (d) **Sharing of best practices in sustainability, safety, health and environment:** Adoption of improved safety, environment and sustainability practices owing to a centralized committee at combined level to provide focused approach towards safety, environment and sustainability practices resulting in overall improvement. Further, overall technology maturity can be



enhanced by the Companies through unfettered access to each other's information technology applications and systems.

## 6. IMPACT OF THE SCHEME ON SHAREHOLDERS

- 6.1 For the shareholders of the Transferee Company, the Scheme will result in consolidation of power assets under one-umbrella which can improve reliability of power supply, economies of scale, profitability and enhance overall shareholder value. This is particularly marked in the improved synergies that will arise pursuant to the Scheme. The impact of the Scheme on the shareholders, including the public shareholders, would be the same in all respects and no shareholder is expected to have any disproportionate advantage or disadvantage in any manner.
- 6.2 For the public shareholders of the Transferor Company, the Scheme will provide an opportunity to unlock the economic value for the shareholders by providing them with an exit opportunity. Further, being the majority shareholder of the Transferor Company, the Scheme offers an opportunity to the Transferee Company to consolidate its group structure and achieve synergies.

## 7. COST BENEFIT

- 7.1 The Scheme involves payment of cash consideration to the shareholders of the Transferor Company save and except the Transferee Company. Further, the implementation of the Scheme would involve incurring costs including, administrative cost, statutory dues, cost of transferring the assets, cost of advisors, etc. However, the long-term benefits are expected to outweigh costs towards implementation of the Scheme.

## 8. EFFECTIVENESS OF THE SCHEME

- 8.1 Upon the sanction of the Scheme by the Competent Authority, (*defined hereinafter*) the Scheme shall become operative on and from the Effective Date (*defined hereinafter*) and the Transferor Company shall stand transferred to and be vested in the Transferee Company on and from and with effect from the Appointed Date (*defined hereinafter*) for all intent and purposes and the Transferor Company shall stand dissolved without being wound up.
- 8.2 That the Appointed Date is being fixed as the opening of business on April 1, 2022, to enable consolidation of the books of the Transferor Company with the Transferee Company with ease for the entire financial year 2022-23. That keeping the Appointed Date as April 1, 2022, being the start of the financial year, is in the interest of the Companies and their shareholders and is not prejudicial to the public interest in any manner. That 99.99% of the shareholding of the Transferor Company being held by the Transferee Company, no public interest is being affected by keeping the Appointed Date as April 1, 2022.

## 9. DEFINITIONS

- 9.1 In this Scheme, unless repugnant to the meaning or context thereof, (i) capitalized terms defined by inclusion in quotations and/or the parenthesis have the meaning so ascribed; and (ii) the following



expressions shall have the meanings respectively assigned against them:

- (a) "Act" means the Companies Act, 2013, and all amendments or statutory modifications thereto or re-enactments thereof, including any rules made thereunder or notifications, circulars or orders made/ issued thereunder from time to time;
- (b) "Applicable Law" means (a) applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, or policies of any applicable country and/or jurisdiction; (b) writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals of, or agreements with, any Appropriate Authority or recognized stock exchange;
- (c) "Appointed Date" means opening of business on April 1, 2022, or such other date as may be determined by the Board of Directors of the concerned Companies or directed/ allowed by the Competent Authority;
- (d) "Appropriate Authority" means any national, state, provincial, local or similar governmental, statutory, regulatory, administrative authority, agency, commission, departmental or public body or authority, board, SEBI, Stock Exchanges, tribunal or court or other entity authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law, or any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law, as may be applicable;
- (e) "Board of Directors" or "Board" in relation to the Transferor Company and/or the Transferee Company, as the case may be, means the Board of Directors of such company in office at the relevant time, and unless it is repugnant to the context, shall include a committee duly constituted and authorised for the purposes of matters pertaining to this amalgamation, Scheme and/or any other matter relating thereto;
- (f) "Companies" means the Transferor Company and the Transferee Company collectively, and "Company" shall mean any one of them as the context may require;
- (g) "Competent Authority" means the relevant bench(es) of the National Company Law Tribunal, or such other forum or authority as may be vested with any of the powers of the above mentioned tribunal under the Act for approving any scheme of arrangement, compromise or reconstruction of a company under Sections 230 to 232 of the Act, before which the confirmation petition/s in terms of Rule 15 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 is/are filed by the Transferor Company and/or the Transferee Company, as the case may be;
- (h) "Effective Date" means the date or last of the dates on which the certified copies of the order of the Competent Authority sanctioning the Scheme are filed by the Transferor Company and the Transferee Company with the Registrar of Companies, New Delhi and Registrar of Companies, Mumbai (whichever is later) after all the conditions and matters referred to in Clause 21 of the Scheme occur or have been fulfilled, obtained or waived, as applicable, in accordance with this Scheme, and which filing may be a filing independent of the filing required to be made under Section 232(5) of the Act, read with Rule 25(7) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" or



likewise, shall mean the Effective Date;

- (i) **"Eligible Members"** has the meaning given to it in Clause 15.2 of Part II of this Scheme;
- (j) **"Employees"** mean all employees, if any, on the payroll of the Transferor Company, as on the Effective Date;
- (k) **"Encumbrance"** means without limitation (i) any options, claim, pre-emptive right, easement, limitation, attachment, restraint, mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance or interest of any kind securing, or conferring any priority of payment in respect of any obligation of any person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Applicable Law, including any option or right of pre-emption, public right, common right, easement rights, any attachment, restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, right of set-off and/ or any other interest held by a third party; (ii) any voting agreement, conditional sale contracts, interest, option, right of first offer or transfer restriction; (iii) any adverse claim as to title, possession or use; and/ or (iv) any agreement, conditional or otherwise, to create any of the foregoing and the terms **"Encumbered"**, **"Encumber"** shall be construed accordingly;
- (l) **"GST Act"** means Central Goods and Services Act, 2017 and all amendments or statutory modifications thereto or re-enactments thereof, including any rules made thereunder or notifications, circulars or orders made/ issued thereunder from time to time;
- (m) **"IT Act"** means Income Tax Act, 1961, the finance acts, amendment acts and other direct taxation laws of India (to the extent that such finance acts, amendment acts and other direct taxation laws, amend or relate to the taxes and surcharge imposed under the Income-tax Act, 1961) as may be amended from time to time and the rules, regulations, circulars, notifications and directions issued thereunder;
- (n) **"Liabilities"** means all debts (whether in Indian Rupees or foreign currency), liabilities (including bills payable, interest accrued, statutory reserves, provisions and all other liabilities including contingent liabilities, and obligations under any licenses or permits or schemes), loans raised and used, obligations incurred, duties of any kind, nature or description and undertakings of every kind or nature and the liabilities of any description whatsoever whether or not provided in the books of accounts or disclosed in the financial statements of the Transferor Company, whether present or future, and howsoever raised or incurred or utilized along with any charge, encumbrance, lien or security thereon;
- (o) **"LODR Regulations"** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and includes all the amendments or statutory modifications thereto or re-enactments thereof;
- (p) **"Record Date"** means the date to be mutually fixed by the Board of Directors of the Companies, for the purpose of determining the shareholders of the Transferor Company to whom cash consideration would be paid pursuant to this Scheme;
- (q) **"Registrar of Companies"** means the Registrar of Companies, New Delhi or Registrar of Companies, Mumbai i.e. the relevant Registrar of Companies having territorial jurisdiction in the state(s) in which the respective registered offices of the Companies are located;





- (r) **"Rupees"** or **"Rs."** or **"the Rupee"** means the Indian rupee which is the lawful currency of India;
- (s) **"Scheme"** or **"the Scheme"** or **"this Scheme"** means this scheme of amalgamation, in its present form or this Scheme with any amendment(s) or modification(s) if any, made by the shareholders of the respective Companies and accepted by the Boards of the respective Companies or such modification(s) as may be imposed by any Appropriate Authority and/or directed to be made by the NCLT(s) while sanctioning the Scheme;
- (t) **"SEBI"** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- (u) **"SEBI Circulars"** means together (i) Circular no. CFD/DIL3/CIR/2017/21 dated 10 March 2017; (ii) Circular no. CFD/DIL3/CIR/2017/26 dated 23 March 2017; (c) Circular no. CFD/DIL3/CIR/2017/105 dated 21 September 2017; (d) Circular no. CFD/DIL3/CIR/2018/2 dated 3 January 2018; (e) Circular no. SEBI/HO/CFD/DIL1/CIR/P/2019/192 dated 12 September 2019; (f) Circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/215 dated 3 November 2020; (g) Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/0000000657 dated 16 November 2021; (h) Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/0000000659 dated 18 November 2021; (i) Circular no. SEBI/HO/CFD/SSEP/CIR/P/2022/003, dated January 03, 2022; and (j) Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/11, dated February 01, 2022 on Schemes of Arrangement by Listed Entities and Relaxation under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 (as amended from time to time) issued by SEBI, SEBI Circular No. SEBI/HO/DDHS/DDHS Div1/P/CIR/2022/0000000103 dated July 29, 2022 as updated upto December 1, 2022 (as amended from time to time) or any other circulars issued by SEBI applicable to schemes of arrangement from time to time;
- (v) **"Stock Exchanges"** means BSE Limited and National Stock Exchange of India Limited, collectively;
- (w) **"Transferee Company"** means Tata Steel Limited, a listed public company incorporated under the Companies Act, 1882 (and an existing company under the Act) and having CIN L27100MH1907PLC000260 and having its registered office at Bombay House, 24, Horni Modi Street, Fort, Mumbai- 400001, Maharashtra;
- (x) **"Transferor Company"** means Angul Energy Limited (formerly known as 'Bhushan Energy Limited'), an unlisted public company incorporated under the provisions of the Companies Act, 1956 (and an existing company under the Act) and having CIN U40105DL2005PLC140748 and having its registered office at Ground Floor, Mira Corporate Suites, Plot No. 1 & 2, Ishwar Nagar, Mathura Road, New Delhi 110065;
- (y) **"Undertaking"** means all the undertaking and the entire business of the Transferor Company as a going concern as on the Appointed Date, including all its assets, properties (whether movable or immovable, tangible or intangible), investments, rights, approvals, licenses and powers, leasehold rights and all its debts, outstanding, liabilities, duties, obligations, and employees including, but not in any way limited to, the following:
- (i) all immovable properties and rights thereto i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise) including roads, drains and culverts, civil works, foundations for civil works, buildings, warehouses, offices, etc., whether or not



recorded in the books of accounts of the Transferor Company and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest, benefits and interests of rental agreements for lease or license or other rights to use of premises, in connection with the said immovable properties;

- (ii) all assets, as are movable in nature forming part of the Transferor Company, whether present or future or contingent, tangible or intangible, in possession or not, corporeal or incorporeal, in each case, wherever situated (capital work in progress, furniture, fixtures, fixed assets, computers, air conditioners, appliances, accessories, office equipment, communication facilities, installations, vehicles, inventories, stock in trade, stores and spares, packing material, if any, raw material, tools and plants), actionable claims, earnest monies and sundry debtors, prepaid expenses, bills of exchange, promissory notes, financial assets, investment and shares, outstanding loans and advances recoverable in cash or in kind or for value to be received, receivables, funds, cash and bank balances and deposits including accrued interest thereto with government, semi-government, local and other authorities and bodies, banks, customers and other persons, dividends declared or interest accrued thereon, reserves, provisions, funds, benefits of all agreements, bonds, debentures, debenture stock, units or pass through certificates, the benefits of any bank guarantees, performance guarantees and all the tax related assets/credits, tax refunds, incentives, allowances, exemptions or rebates or such other benefits including but not limited to goods and service tax input credits, service tax input credits, central excise, cenvat credit, value added tax credits, value added/ sales tax/ entry tax credits or set-offs, income tax including advance tax, withholding tax/ TDS/TCS, taxes withheld/ paid in a foreign country, self-assessment tax, regular tax, minimum alternate tax, dividend distribution tax, securities transaction tax, deferred tax assets/ liabilities, tax refunds, accumulated losses under the IT Act and allowance for unabsorbed depreciation under the IT Act and as per books of account, rights of any claim not made by the Transferor Company in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Appropriate Authority;
- (iii) all permits, licenses, permissions, right of way, approvals, authorisations, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, all applications, pre-qualifications, bid acceptances, concessions, subsidies, tax deferrals and exemptions and other benefits (in each case including the benefit of any applications made for the same), income tax benefits/ holidays and exemptions including the right to deduction for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the deduction is available in law, if any, liberties and advantages, approval for commissioning of project and other licenses or clearances granted/ issued/ given by any governmental, statutory or regulatory or local or administrative bodies, organizations or companies for the purpose of carrying on its existing business or in connection therewith including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that form part of the Transferor Company;
- (iv) all registrations obtained under Value Added Tax Laws, Central Sales Tax Act, 1956, GST Act;



- (v) all contracts, agreements, purchase orders/ service orders, operation and maintenance contracts, benefit of any arrangements, allotments, approvals, authorities, registrations, exemptions, benefits, waivers, security and other agreements, engagements, memoranda of understanding/ undertakings/ agreements, memoranda of agreed points, bids, tenders, tariff policies, expressions of interest, letters of intent, hire and purchase arrangements, agreements/deeds for hire of fitted assets, equipment purchase agreements, agreements with customers, purchase and other agreements with the supplier/ manufacturer of goods/ service providers, other arrangements, undertakings, deeds, bonds, schemes, concession agreements, insurance policies, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether vested or potential and written, oral or otherwise and all rights, title, interests, assurances, claims and benefits thereunder;
- (vi) all insurance policies pertaining to the Transferor Company;
- (vii) all intellectual property rights, applications (including hardware, software, licenses, source codes, object code, algorithm and scripts), registrations, servers, software assets, hardware assets, cloud, data centres, any devices including but not limited to laptops and mobile devices, goodwill, trade names, service marks, copyrights, patents, project designs, marketing authorization, approvals, marketing intangibles, permits, permissions, incentives, privileges, special status, domain names, designs, trade secrets, research and studies, technical knowhow, confidential information and other benefits (in each case including the benefit of any applications made for the same) and all such rights of whatsoever description and nature;
- (viii) all rights to use, subscribe and avail, transfer or sell telephones, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by Transferor Company;
- (ix) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, quotations, manuals, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/ supplier pricing information, and all other books and records, whether in physical or electronic form and all other interest of whatsoever nature belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company;
- (x) the Employees, if any, including liabilities of Transferor Company with regard to the Employees, if any, with respect to the payment of gratuity, superannuation, pension benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise, as on the Effective Date; and



- (xi) all suits, actions, legal or other proceedings including quasi-judicial, arbitral of whatsoever nature involving or continued or to be enforced by or against the Transferor Company, which are capable of being continued by or against the Transferor Company under the Applicable Law.

10. **INTERPRETATION**

- 10.1 The expressions, which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992 (including the regulations made thereunder), the Depositories Act, 1996 and other Applicable Laws, rules, regulations, by-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.
- 10.2 References to Clauses and recitals, unless otherwise provided, are to Clauses and recitals to this Scheme.
- 10.3 The headings herein shall not affect the construction of this Scheme.
- 10.4 The singular shall include the plural and *vice versa*; and references to one gender include all genders.
- 10.5 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 10.6 References to a person includes any individual, firm, body corporate (whether incorporated or not), Appropriate Authority, or any joint venture, association, partnership, works council or employees' representatives' body (whether or not having separate legal personality).
- 10.7 Terms "hereof", "herein", "hereby", "hereto" and derivative or similar words shall refer to this entire Scheme or specified Clauses of this Scheme, as the case may be.
- 10.8 A reference to "writing" or "written" includes printing, typing, lithography and other means of reproducing words in a visible form including e-mail.
- 10.9 Reference to any agreement, contract, document or arrangement or to any provision thereof shall include references to any such agreement, contract, document or arrangement as it may, after the date hereof, from time to time, be amended, supplemented or novated.
- 10.10 References to any provision of law or legislation or regulation shall include: (a) such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the date of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the transaction entered into under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced, (b) all subordinate legislations (including circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation) made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment.



II. SHARE CAPITAL OF THE COMPANIES

11.1 SHARE CAPITAL OF THE TRANSFEREE COMPANY

11.1.1 The share capital of the Transferee Company, as on the date of the meeting of Board of Directors of the Transferee Company for considering and approving this Scheme, i.e., as on February 6, 2023, is as under:

(₹ in crore)

Authorised share capital:		Amount
17,50,00,00,000	Ordinary Shares of ₹ 1/- each	1,750.00
35,00,00,000*	"A" Ordinary Shares of ₹ 10/- each	350.00
2,50,00,000*	Cumulative Redeemable Preference Shares of ₹ 100/- each	250.00
60,00,00,000*	Cumulative Convertible Preference Shares of ₹ 100/- each	6,000.00
Total:		8,350.00
Issued share capital:		Amount
12,23,21,83,670	Ordinary Shares of ₹ 1/- each	1,223.22
22,32,880	Ordinary Shares of ₹ 1/- each (Partly Paid up)	0.22
Total:		1,223.44
Subscribed and Paid-up share capital:		Amount
12,22,12,20,420**	Ordinary Shares of ₹ 1/- each fully paid up	1,222.12
22,32,880	Ordinary Shares of ₹ 1/- each (paid-up Re. 0.2504 each)	0.05
<i>Amount paid-up on 3,89,516 Ordinary Shares of ₹ 10 each forfeited</i>		0.20
Total:		1,222.37

\* 'A' Ordinary Shares and Preference Shares included within the authorised share capital are for disclosure purposes and have not yet been issued.

\*\* Includes 3,078 Ordinary shares on which first and final call money has been received and the partly paid-up equity shares have been converted to fully paid-up equity shares but are pending final listing and trading approval under the fully paid-up shares with ISIN INE081A01012, and hence, continue to be listed under partly paid-up ISIN IN9081A01010 as on June 30, 2022. Further, of the 3,078 Ordinary Shares, 2,025 Ordinary shares received the final listing and trading approval from BSE & NSE under ISIN INE081A01012 on July 01, 2022, and trading effective from July 04, 2022

Note: Paid-up capital includes 11,68,393 Ordinary Shares held by Rujvalika Investments Limited



(a wholly owned subsidiary of Tata Steel Limited w.e.f. May 8, 2015), which do not carry any voting rights.

11.1.2 The equity shares of the Transferee Company are listed on the Stock Exchanges.

## 11.2 SHARE CAPITAL OF THE TRANSFEROR COMPANY

11.2.1 The share capital of the Transferor Company, as on the date of the meeting of Board of Directors of the Transferor Company for considering and approving this Scheme, i.e., as on February 6, 2023, is as under:

(in ₹)

Authorised share capital:		Amount
21,00,00,000	Equity Shares of ₹ 10/- each	210,00,00,000
	<b>Total:</b>	<b>210,00,00,000</b>
Subscribed and Paid-up share capital:		Amount
1,00,00,142	Equity Shares of ₹ 10/- each fully paid up	10,00,01,420
	<b>Total:</b>	<b>10,00,01,420</b>

11.2.2 The equity shares of the Transferor Company are unlisted.

11.2.3 Apart from the aforementioned shares, the Transferor Company has no outstanding shares or other ownership interests of the Transferor Company or any options (including employee stock options), warrants, rights or other securities (including but not limited to compulsorily convertible preference shares and compulsorily convertible debentures) that are directly or indirectly convertible into, or exercisable or exchangeable for, such equity capital.



**PART II: AMALGAMATION OF THE TRANSFEROR COMPANY ALONG WITH THE  
UNDERTAKING INTO AND WITH THE TRANSFEREE COMPANY**

**12. TRANSFER AND VESTING**

12.1 With effect from the Appointed Date, upon this Scheme becoming effective, and subject to the provisions of this Scheme, the Transferor Company along with all its assets, liabilities, contracts, employees, licenses, consents, permits, records, approvals, etc., comprising the Undertaking shall, pursuant to the provisions of the Act, IT Act and any other Applicable Law without any further act, instrument or deed, be and stand transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company as a going concern, so as to become, as and from the Appointed Date, the estate, assets, rights, title, interests and authorities of the Transferee Company, by virtue of and in the manner provided in this Scheme.

12.2 Without prejudice to the generality of the above, with effect from the Appointed Date and upon this Scheme becoming effective:

12.2.1 Transfer of Assets

- (a) all assets of the Transferor Company, as are movable in nature (including investment in shares and marketable securities) or incorporeal property or are otherwise capable of transfer by physical or constructive delivery, novation and/or by endorsement and delivery or by vesting and recordal or by operation of law pursuant to this Scheme, shall stand transferred to, vested in and/or be deemed to be transferred and vested in the Transferee Company and shall become the property and an integral part of the Transferee Company, with effect on and from the Appointed Date pursuant to the provisions of the Act, all other applicable provisions of Applicable Law, if any, without requiring any deed or instrument of conveyance for transfer of the same. The vesting pursuant to this sub-Clause shall be deemed to have occurred by physical or constructive delivery or by endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly;
- (b) all other movable properties of the Transferor Company, including actionable claims, earnest monies, receivables, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other Appropriate Authorities, bodies, customers and any other persons, shall without any further act, instrument or deed, become the property of the Transferee Company. The Transferor Company shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard. The Transferor Company shall, if so required, also give notice in such form as it may deem fit and proper to the debtors or obligor or any other person, that pursuant to the sanction of the Scheme by the Competent Authority, the said debtors should pay to the Transferee Company, the debt, investment, loan, claim, bank balances and deposit or advance or make the same on account of the Transferor Company and the right of the Transferor Company to recover and realize the same stands vested in the Transferee Company;
- (c) all debentures, bonds, notes or other debt securities, if any, of the Transferor Company, whether convertible into equity or otherwise, shall become securities of the Transferee Company and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or deemed to have been transferred to and vested in and shall be exercised by or against the Transferee Company as if it were the Transferor Company in respect of securities so transferred;



- (d) all immovable properties (including land, together with buildings and structures standing thereon) and rights and interests thereon or embedded to the land and rights and interests in immovable properties of the Transferor Company, whether freehold or leasehold or licensed or otherwise, all tenancies, and all documents of title, right, security deposits and easements in relation thereto shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act or deed done by the Transferor Company and the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Appropriate Authority shall suffice as record of continuing titles with the Transferee Company and shall be constituted as a deemed mutation and substitution thereof. The Transferee Company shall be entitled to and shall exercise all rights and privileges attached thereto including refund of any security deposits and shall be liable to pay the appropriate rent, rates and taxes and fulfill all obligations in relation to or applicable to such immovable properties. The relevant authorities shall grant all clearances / permissions, if any, required for enabling the Transferee Company to absolutely own and enjoy the immovable properties in accordance with Applicable Law. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of this Scheme by the Competent Authority in accordance with the terms hereof. The Transferor Company shall upon the Scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard, which are in possession of the Transferor Company. It is hereby clarified that, except where prior consent of the lessor is required for an assignment, all the rights, title, and interest of the Transferor Company in any leasehold properties shall without any further act, instrument, or deed, be vested in or be deemed to have been vested in the Transferee Company;
- (e) all estates, assets, rights, title, claims, interest, investments and properties of the Transferor Company as on the Appointed Date, including accretions and appurtenances, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company;
- (f) all bank accounts and demat accounts operated or entitled to be operated by the Transferor Company shall be deemed to have been transferred and shall stand transferred to the Transferee Company and name of the Transferor Company shall be substituted by the name of the Transferee Company in the bank's records and the Transferee Company shall be entitled to operate all bank accounts, realise all monies and complete and enforce all pending contracts and transactions in the name of the Transferor Company to the extent necessary until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under the Scheme is formally accepted and completed by the parties concerned. For avoidance of doubt, it is hereby clarified that all cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date, shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. Similarly, the banker of the Transferee Company shall honour all cheques issued by the Transferor Company for payment after the Effective Date;
- (g) all letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, applications and other instruments of whatsoever nature to which the Transferor Company is a party to or to the benefit of which the Transferor Company may be eligible for, shall remain





in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. Upon coming into effect of the Scheme, the past track record of the Transferor Company shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes; and

- (h) all the security interest over any moveable and/ or immovable properties and security in any other form (both present and future) including but not limited to any pledges, or guarantees, if any, created/ executed by any person in favour of the Transferor Company or any other person acting on behalf of or for the benefit of the Transferor Company for securing the obligations of the persons to whom the Transferor Company has advanced loans and granted other funded and non-funded financial assistance, by way of letter of comfort or through other similar instruments shall without any further act, instrument or deed stand vested in and be deemed to be in favour of the Transferee Company and the benefit of such security shall be available to the Transferee Company as if such security was ab initio created in favour of the Transferee Company. The mutation or substitution of the charge in relation to the movable and immovable properties of the Transferor Company shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities and third parties (including any depository participants) pursuant to the sanction of this Scheme by the Competent Authority and upon the Scheme becoming effective in accordance with the terms hereof:

#### 12.2.2 Transfer of Liabilities

- (a) all secured and unsecured Liabilities howsoever arising, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company, shall be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of the Transferee Company and the Transferee Company undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or any other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Clause. Necessary modification, as may be required would be carried out to the debt instrument issued by the Transferor Company, if any;
- (b) all loans raised and used and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor Company after the Appointed Date and prior to the Effective Date shall also be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and, to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of the Act and all other applicable provisions of Applicable Laws, without any further act, instrument or deed shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same;
- (c) where any of the debts, liabilities, duties and obligations incurred before the Appointed Date by the Transferor Company, deemed to have been transferred to the Transferee Company by virtue of this Scheme, have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company;



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- (d) loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company; and
- (e) subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of this Clause shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security document, all of which instruments shall stand modified and / or superseded by the foregoing provisions of this Scheme. It is expressly provided that, no other terms or conditions of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.

#### 12.2.3 Transfer of Encumbrances

- (a) the transfer and vesting of movable and immovable properties as stated above, shall be subject to Encumbrances, if any, affecting the same;
- (b) all Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to any liability, shall, after the Effective Date, without any further act, instrument or deed, continue to be related and attached to such assets or any part thereof to which they related or were attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that if any of the assets of the Transferor Company have not been Encumbered in respect of the liabilities, such assets shall remain unencumbered and no Encumbrance shall be extended to or operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or any third party shall not affect the operation of the foregoing provisions of this Scheme;
- (c) the existing Encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate to only such assets and properties and shall not extend to or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of the Scheme; and
- (d) any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferor Company and the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the Registrar of Companies to give formal effect to the above provisions, if required.

#### 12.2.4 Transfer of Contracts, Deeds, etc.

- (a) all contracts, agreements, memoranda of undertakings, memoranda of agreement, memoranda of agreed points, letters of agreed points, bids, letters of intent, arrangements, undertakings whether written or otherwise, lease rights, deeds, bonds, understandings, insurance policies,



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applications, schemes and instruments of whatsoever nature to which the Transferor Company is a party, or to the benefit of which, the Transferor Company may be eligible/entitled, and which are subsisting and having effect immediately before the Effective Date, shall without any further act, instrument or deed continue in full force and effect on, against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor thereto or thereunder. If the Transferee Company enters into and/ or issues and/ or executes deeds, writings or confirmations or enters into any tripartite arrangements, confirmations or novations, the Transferor Company may, if necessary, also be party to such documents in order to give formal effect to the provisions of this Scheme, if so required and permitted under the law. The Transferor Company may also execute deeds of confirmation in favour of any party to any contract or arrangement to which the Transferor Company is a party as may be necessary to be executed in order to give formal effect to the above provisions. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it is the duly constituted attorney of the Transferor Company:

- (b) without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after coming into effect of the 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 arrangements with any party to any contract or arrangement to which the Transferor Company is a party, including any filings with the regulatory authority 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 Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed: and
- (c) on and from the Effective Date, and thereafter, the Transferee Company shall be entitled to complete and enforce all pending contracts and transactions in respect of the Transferor Company, in the name of the Transferor Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme has been given effect to under such contracts and transactions.

#### 12.2.5 Transfer of Licenses and Approvals

- (a) all approvals, allotments, consents, concessions, clearances, credits, awards, sanctions, exemptions, subsidies, rehabilitation schemes, registrations, no-objection certificates, permits, quotas, rights, entitlements, authorisation, pre-qualifications, bid acceptances, tenders, licenses (including the licenses granted by any governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), permissions, privileges, powers, facilities, letter of allotments and certificates of every kind and description whatsoever in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible/ entitled, and which are subsisting or having effect immediately before the Effective Date, including the benefits of any applications made for any of the foregoing, shall be and remain in full force and effect in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall make and duly record the necessary



substitution/ endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/ documents with relevant authorities concerned for information and record purposes;

- (b) all statutory licenses, no objection certificates, consents, permissions, approvals, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company or any applications made for the same by the Transferor Company shall stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company;
- (c) all trademarks, trade names, service marks, copyrights, patents, logos, corporate names, brand names, domain names and all registrations, applications and renewals in connection therewith, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information shall stand transferred to and vested in the Transferee Company without any further act, instrument or deed, upon the sanction of this Scheme by the Competent Authority;
- (d) benefits of any and all corporate approvals as may have already been taken by the Transferor Company, whether being in the nature of compliances or otherwise, including without limitation approvals under Sections 42, 62, 180, 185, 186, etc., of the Act, read with the rules and regulations made thereunder, shall stand transferred to the Transferee Company and the said corporate approvals and compliances shall be deemed to have been taken/ complied with by the Transferee Company; it being clarified that if any such resolutions have any monetary limits approved subject to the provisions of the Act and of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of the Transferee Company, shall be added to the limits, if any, under the like resolutions passed by the Transferee Company;
- (e) the Transferor Company and/ or the Transferee Company as the case may be, shall, at any time after this Scheme becoming effective in accordance with the provisions hereof, if so required under Applicable Laws or otherwise, do all such acts or things as may be necessary to transfer/ obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates which were held or enjoyed by the Transferor Company. It is hereby clarified that if the consent of any third party or Appropriate Authority, if any, is required to give effect to the provisions of this Clause, the said third party, or Appropriate Authority shall make and duly record the necessary substitution/ endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Competent Authority, and upon this Scheme becoming effective in accordance with the provisions of the Act and with the terms hereof, the Transferee Company shall file appropriate applications/ documents with relevant authorities concerned for information and record purposes;
- (f) since each of the permissions, approvals, consents, sanctions, remissions, special reservations, holidays, incentives, concessions and other authorizations, shall stand vested by the order of sanction of the Competent Authority in the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning courts: and



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- (g) the Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.

#### 12.26 Transfer of Legal and other Proceedings

- (a) any pending suits/appeals, all legal or other proceedings including before any statutory or quasi-judicial authority or tribunal or other proceedings of whatsoever nature relating to the Transferor Company, whether by or against the Transferor Company, whether pending on the Effective Date or which may be instituted any time in the future, if such proceedings are capable of being continued by or against the Transferee Company, shall not abate, be discontinued or in any way prejudicially be affected by reason of this amalgamation of the Undertaking or because of the provisions contained in this Scheme. The proceedings shall continue by or against the Transferee Company in the same manner and to the same extent as they would have been continued, prosecuted and/or enforced by or against the Transferor Company, if this Scheme had not been implemented;
- (b) in case of any litigation, suits, recovery proceedings which are to be initiated by or may be initiated against the Transferor Company, the Transferee Company shall be made party thereto and shall prosecute or defend such proceedings;
- (c) the Transferee Company undertakes to have all legal or other proceedings initiated by or against the Transferor Company, which are capable of being continued by or against the Transferee Company, transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against the Transferee Company; and
- (d) the Transferee Company shall be deemed to be authorized under this Scheme to execute any pleadings, applications, forms, etc., as are required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

#### 12.27 Taxation related provisions

- (a) All the expenses incurred by the Transferor Company and the Transferee Company in relation to the amalgamation of the Undertaking with the Transferee Company as per this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Transferee Company in accordance with Section 35DD of the IT Act over a period of 5 (five) years beginning with the previous year in which the Scheme becomes effective;
- (b) Upon the Scheme becoming effective, the Transferor Company (if required) and the Transferee Company are expressly permitted to revise, its financial statements and returns (including tax deducted at source ("TDS") or tax collected at source ("TCS") returns) along with prescribed forms, filings and annexures (including but not limited to TDS certificates) under the IT Act (including for the purpose of re-computing income-tax under the normal provisions, minimum alternative tax, and claiming other tax benefits), central sales tax, applicable state value added tax, entry tax, octroi, local tax law, service tax laws, excise and central value added tax ("CENVAT") duty laws, customs duty laws, goods and services tax laws and other tax laws, if required to give effect to the provisions of the Scheme. The Transferee Company is also expressly permitted to claim refunds / credits in respect of any



transaction by and between the Transferor Company and the Transferee Company. With respect to the TDS certificates issued in the name of Transferor Company after the Appointed Date, the same will be deemed to be issued in the name of the Transferee Company for the income tax purposes;

- (c) Upon the Scheme becoming effective, the Transferee Company shall be entitled to (i) claim deductions with respect to provisions, expenses, etc. disallowed in earlier years in the hands of the Transferor Company, which may be allowable in accordance with the provisions of the IT Act on or after the Appointed Date; and (ii) exclude items such as provisions, reversals, etc., for which no deduction or tax benefit has been claimed by the Transferor Company prior to the Appointed Date;
- (d) With effect from Appointed Date, the Transferee Company is expressly permitted to claim any deduction (including deferred revenue expenditure, whether or not recorded for tax purposes) otherwise admissible such as under section 40, 40A, 43B, etc. of the IT Act / exemption, refunds and/or input tax credit/ CENVAT, credit for taxes paid (including MAT, TDS/TCS, income tax including, advance tax, self-assessment tax, dividend distribution tax, carry forward of accumulated losses, unabsorbed depreciation, foreign tax credit, etc.) and for matters incidental thereto under the IT Act, central sales tax, applicable state value added tax, service tax laws, local body tax, entry tax, excise duty and CENVAT duty laws, customs duty laws, goods and service tax laws and other applicable tax laws. All tax assessment proceedings/ appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date by the Transferor Company. In the event of the Transferor Company failing to continue or enforce any proceeding/ appeal, the same may be continued or enforced by the Transferee Company, at the cost of the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company;
- (e) Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Undertaking with the Transferee Company or anything contained in the Scheme;
- (f) Any tax liabilities under the IT Act, service tax laws, excise duty laws, central sales tax, customs duty laws, local body tax, entry tax, wealth tax, GST Act, applicable state value added tax laws or other Applicable Laws dealing with taxes/ duties or levies of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to or stand transferred to the Transferee Company. Any surplus in the provision for taxation / duties or levies account including advance tax, foreign tax credit, MAT credit and TDS as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company;
- (g) Any refund under the IT Act, service tax laws, excise duty laws, central sales tax, entry tax laws, customs duty, goods and services tax laws, applicable state value added tax laws or other Applicable Laws dealing with taxes/ duties or levies due to the Transferor Company consequent to the assessment made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company upon this Scheme becoming effective;



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- (h) The tax payments (including, without limitation income tax, including advance tax, self-assessment tax, dividend distribution tax, MAT, service tax, excise duty, central sales tax, customs duty, local body tax, entry tax, wealth tax, goods and services tax, applicable state value added tax, etc.) whether by way of TDS/TCS, foreign tax credit, advance tax, all earnest monies, security deposits provisional payments, payment under protest, or otherwise howsoever, by the Transferor Company after the Appointed Date, shall be deemed to be paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly. Credit for such taxes shall be allowed to the Transferee Company notwithstanding that certificates or challans for taxes paid are in the name of the Transferor Company and not in the name of the Transferee Company;
- (i) Further, any TDS by the Transferor Company / Transferee Company on transactions with the Transferee Company/ Transferor Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly;
- (j) Obligation for TDS on any payment made by or to be made by the Transferor Company under the IT Act, service tax laws, excise duty laws, central sales tax, customs duty, goods and services tax laws, applicable state value added tax laws or other Applicable Laws dealing with taxes/ duties or levies shall be made or deemed to have been made and duly complied with by the Transferee Company;
- (k) The accumulated losses and the allowance for unabsorbed depreciation for the Transferor Company shall be deemed to be the loss and the allowance for unabsorbed depreciation of the Transferee Company in accordance with section 72A of the IT Act;
- (l) Further the losses and unabsorbed depreciation as per the books of account of Transferor Company as on the date immediately preceding the Appointed Date shall be deemed to be the brought forward loss and unabsorbed depreciation of the Transferee Company for the purpose of computation of book profit to calculate the minimum alternate tax payable by the Transferee Company;
- (m) Without prejudice to the generality of the above, all benefits, entitlements, incentives, accumulated losses, losses brought forward, unabsorbed depreciation if any as per the books of accounts, credits, registrations (including, without limitation income tax, minimum alternate tax, TDS/TCS, taxes withheld/paid in foreign country, wealth tax, service tax, excise duty, central sales tax, entry tax, applicable state value added tax, customs duty, goods and services tax, CENVAT, registrations, etc.) to which the Transferor Company is entitled to in terms of Applicable Laws, shall be available to and vest in the Transferee Company, upon this Scheme coming into effect;
- (n) Upon coming into effect of this Scheme, all tax compliances under any tax laws by the Transferor Company on or after Appointed Date shall be deemed to be made by the Transferee Company;
- (o) All deductions otherwise admissible to the Transferor Company including payment admissible on actual payment or on deduction of appropriate taxes or on payment of tax deducted at source (such as under Sections 40, 40A, 43B etc. of the IT Act) shall be available for deduction to the Transferee Company as it would have been available to the Transferor Company; and
- (p) The Companies shall be entitled to file/revise its respective income tax returns, TDS



certificates, TDS returns, wealth tax returns and other statutory returns, if required, and shall have the right to claim refunds, advance tax credits, credit of tax deducted at source, dividend distribution tax credits, credit of foreign taxes paid/ withheld, excise, service tax credits, set off, goods and services tax, etc., if any, as may be required consequent to implementation of this Scheme.

#### 12.2.8 Transfer of Employees—

- (a) all Employees of the Transferor Company, if any, remaining on the Effective Date, shall become employees of the Transferee Company with the benefit of continuity of service on such terms and conditions as are no less favorable than those on which they are currently engaged by the Transferor Company, without any interruption of service as a result of the amalgamation of the Undertaking into the Transferee Company;
- (b) save as expressly provided for in this Scheme, the Employees, if any, who become the employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the benefit of the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the other employees of the Transferee Company (including the benefits if or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless otherwise determined by the Transferee Company;
- (c) It is expressly provided that, on the Scheme becoming effective, insofar as the provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the Employees are concerned, such proportion of the investments made in the funds and liabilities which are attributable/referable to the Employees (collectively referred to as the "Funds") shall be transferred to similar funds created and/or nominated by the Transferee Company and shall be held for their benefit pursuant to this Scheme, or at the sole discretion of the Transferee Company, maintained as separate funds by the Transferee Company. Pending the transfer as aforesaid, the Funds of the employees may be continued to be deposited in the existing funds of the Transferor Company. Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Applicable Laws, shall be entitled to: (a) retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company; or (b) merge the pre-existing funds of the Transferor Company with other similar funds of the Transferee Company;
- (d) Further to the transfer of Funds as set out herein above, for all purposes whatsoever in relation to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, all rights, duties, powers and obligations of the Transferor Company as on the Effective Date in relation to such Funds shall become those of the Transferee Company. It is clarified that the services of the Employees will be treated as having been continuous for the purpose of the said Funds;
- (e) in relation to any funds (including any funds set up by the government for employee benefits) created or existing for the benefit of the transferred Employees, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said funds in accordance with the provisions of such scheme, funds, bye laws, etc. in respect of such transferred Employees;
- (f) the Transferee Company shall continue to abide by any agreement(s) / settlement(s) entered





into with any employees by the Transferor Company. The Transferee Company agrees that for the purpose of payment of any retrenchment compensation, gratuity, grants, stock options or other terminal benefits, the past services of such employees with the Transferor Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable; and

- (g) the Directors of the Transferor Company will not be entitled to any directorships in the Transferee Company by virtue of the provisions of this Scheme. It is clarified that this Scheme will not affect any directorship of any person who is already a director in the Transferee Company as on the Effective Date.

#### 12.2.9 Inter-Se Transaction

- (a) Without prejudice to the foregoing provisions, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes;
- (b) With effect from the Effective Date, there will be no accrual of income or expense on account of any transactions, including, *inter alia*, any transactions in the nature of sale or transfer of any goods, materials or services, between the Companies. For avoidance of doubt, it is hereby clarified that with effect from the Effective Date, there will be no accrual of interest or other charges in respect of any *inter se* loans, deposits or balances between the Companies;
- (c) From the Effective Date, the Transferee Company shall commence, carry on and be authorized to carry on the business of the Transferor Company;
- (d) With effect from the Effective Date, any liabilities, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company;
- (e) All inter se contracts solely between the Transferor Company and the Transferee Company shall stand cancelled and cease to operate and appropriate effect shall be given in the books of accounts and records of the Transferee Company.

### 13. BUSINESS AND PROPERTY IN TRUST

- 13.1 The Transferor Company has agreed that during the period between the approval of the Scheme by the respective Boards of the Transferor Company and the Transferee Company and up to the Effective Date, the business of the Transferor Company shall be carried out with reasonable diligence and business prudence in the ordinary course consistent with past practice, in good faith and in accordance with Applicable Law.

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

- (a) the Transferor Company shall be deemed to have been carrying on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all the estates, assets, rights, title, interest, authorities, contract, investments and strategic



decisions, for and on account of, and in trust for, the Transferee Company;

- (b) all profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure, as the case may be, of the Transferee Company;
- (c) any of the rights, powers, authorities, privileges, exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company;
- (d) all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of the Transferor Company which arise or accrue to the Transferor Company on or after the Appointed Date, shall be deemed to be of the Transferee Company;
- (e) all assets and properties comprised in the Transferor Company as on the date immediately preceding the Appointed Date, whether or not included in the books of the Transferor Company and all assets and properties relating thereto, which are acquired by the Transferor Company, on or after the Appointed Date, shall be deemed to be the assets and properties of the Transferee Company;
- (f) all taxes (including without limitation, income tax, wealth tax, sales tax, excise duty, customs duty, service tax, value added tax, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payment (including, without limitation, income tax, minimum alternate tax, dividend distribution tax, wealth tax, sales tax, excise duty, customs duty, goods and services tax, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect from the Appointed Date, shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly; and
- (g) any refund (including interest, if any) under any tax laws due to the Transferor Company consequent to the assessment made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company. The Transferee Company is expressly permitted to revise and file income tax returns, goods and services tax returns and other tax returns, and to claim refunds /credits pursuant to the provisions of this Scheme. The Transferee Company shall be entitled to such tax benefits including but not limited to minimum alternate tax paid under Section 115JA/115JB of the IT Act, and the right to claim credit therefore in accordance with the provisions of Section 115JAA of the IT Act, including the benefit of brought forward losses or depreciation as admissible under the provisions of the IT Act, including Section 72A, to the extent applicable to the taxable profits of the Transferee Company with effect from the Appointed Date. The Transferee Company shall continue to enjoy the tax benefits/concessions provided to the Transferor Company through notifications, circulars, etc. issued by the concerned Appropriate Authorities.



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- (h) Notwithstanding anything contained in this Scheme, the Parties shall be entitled to declare, distribute and pay dividend, whether interim or final, to their respective shareholders prior to this Scheme becoming effective.

**14. SAVING OF CONCLUDED TRANSACTION**

- 14.1 The transfer and vesting of the assets, liabilities and obligations of the Transferor Company and the continuance of the proceedings by or against the Transferee Company shall not affect any transaction or proceedings already completed by the Transferor Company on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by and / or on behalf of the Transferor Company as acts, deeds and things made, done and executed by and on behalf of the Transferee Company.

**15. CANCELLATION OF SHARES OF THE TRANSFEROR COMPANY AND PAYMENT OF CONSIDERATION**

- 15.1 Upon coming into effect of this Scheme, all the shares of the Transferor Company held by the Transferee Company (either directly or through nominees) on the Effective Date shall stand cancelled without any further application, act or deed. Further, the investment in the shares of the Transferor Company, appearing in the books of accounts of the Transferee Company shall, without any further act or deed, stand cancelled. It is clarified that no new shares shall be issued nor payment shall be made in cash whatsoever by the Transferee Company in lieu of cancellation of such shares of the Transferor Company.

- 15.2 Upon coming into effect of this Scheme, and in consideration of the amalgamation of the Undertaking into and with the Transferee Company, the Transferee Company shall, without any further application, act or deed, pay to the shareholders of the Transferor Company (other than the Transferee Company), whose names are recorded in the register of members as a member of the Transferor Company, including register and index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, on the Record Date (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognised by the Board of the Transferee Company) (the "Eligible Member") in the following manner:

*"₹. 1,045 (Rupees One thousand and Forty Five only) for every 1 (one) fully paid up equity share of ₹ 10/- each held in the Transferor Company."*

which payment shall be made not later than 30 (thirty) days from the Effective Date ("Payment Date").

**16. PAYMENT MECHANISM**

- 16.1 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, as the case may be, to effectuate such a transfer as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the shares in the Transferor Company and in relation to the consideration payable by the Transferee Company, after the



effectiveness of the Scheme. The Board of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme.

- 16.2 Where cash consideration is to be paid to heirs, executors or administrators, as the case may be, to successors of deceased shareholders or legal representatives of the shareholders of the Transferor Company, the concerned heirs, executors, administrators, successors or legal representatives shall be obliged to produce evidence of title satisfactory to the Board of the Transferee Company.
- 16.3 In the event the relevant bank account details of the Eligible Members are not available, the Transferee Company may, at its option, issue cheques for the relevant amount in the name of such Eligible Members or hold such cash consideration in a separate earmarked account and disburse the relevant amount to the relevant account of the Eligible Members as and when such account details are furnished to the Transferee Company. In the event any such amount payable to the Eligible Members are not claimed by any such Eligible Member within 7 (seven) years from the Payment Date, such unclaimed and unpaid amount shall be transferred to Investor Education and Protection Fund or similar funds.
- 16.4 In the event that the Companies restructure their share capital by way of share split/consolidation/issue of bonus shares during the pendency of the Scheme, the consideration payable, shall be adjusted accordingly to take into account the effect of any such corporate actions.
- 16.5 Upon this Scheme becoming effective and upon the payment of cash consideration to the Eligible Members, the equity shares of the Transferor Company, both in demat form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date.
- 16.6 The cash consideration payable by the Transferee Company pursuant to Clause 15.2 above in respect of such equity shares of Transferor Company, the allotment or transfer of which is held in abeyance under the provisions of Section 126 of the Act or which the Transferee Company is unable to issue due to non-receipt of relevant approvals or due to Applicable Law shall, pending allotment or settlement of dispute by order of the appropriate court or otherwise, also be kept in abeyance in like manner by the Transferee Company.
- 16.7 In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholders of the Transferor Company, the Board of the Transferor Company shall be empowered prior to the Record Date, to effectuate such transfers in the Transferor Company as if such changes in registered holders were operative as on the Record Date, in order to remove any difficulties arising to the transferors of the shares and in relation to the cash consideration to be paid by the Transferee Company pursuant to Clause 15.2 above after the Scheme is effected. The Board of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme on account of difficulties faced in the transition period.

#### 17. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEEE COMPANY

- 17.1 Notwithstanding anything to the contrary contained herein, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of accounts in accordance with 'pooling of interest method' of accounting as laid down in the Appendix C of Indian Accounting Standards (INDAS) 103 - Business Combinations, other accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Act and relevant clarifications issued by Institute of Chartered Accountants of India



("ICAI"). Accordingly, the financial information in the financial statements in respect of the prior periods will be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination and such restatement shall not be considered or treated to be a revision of financial statements in terms of the provisions of Section 131 of the Act.

**18. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEROR COMPANY**

18.1 As the Transferor Company shall stand dissolved without being wound up upon the Scheme becoming effective, hence no accounting treatment is being prescribed under this Scheme in the books of the Transferor Company.

**19. DISSOLUTION WITHOUT WINDING UP**

19.1 Upon the Scheme coming into effect, with effect from the Appointed Date, the Transferor Company shall stand dissolved without being wound up by the order of the Competent Authority, or any other act or deed.

19.2 The Transferor Company's name shall be removed from the Register of Companies by the Registrar of Companies upon this Scheme becoming effective.

**PART III: GENERAL TERMS AND CONDITIONS**

**20. APPLICATIONS**

20.1 The Companies shall make applications and/ or petitions under Sections 230 to 232 and other applicable provisions of the Act to the Competent Authority for approval of the Scheme and all matters ancillary or incidental thereto, as may be necessary to give effect to the terms of the Scheme.

20.2 On this Scheme becoming effective, the members of the Companies shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the provisions contained in this Scheme. The Companies shall also make all other necessary applications before the Competent Authority for sanction of this Scheme.

20.3 The Companies shall be entitled, pending the effectiveness of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law for such consents and approvals, as agreed between the Companies, which the Companies may require to effect the transactions contemplated under the Scheme, in any case subject to the terms as may be mutually agreed between the Companies.

**21. ADDITIONAL DISCLOSURES AS PER SEBI OPERATIONAL CIRCULAR FOR LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS FOR NON-CONVERTIBLE SECURITIES, SECURITIZED DEBT INSTRUMENTS AND/ OR COMMERCIAL PAPER BEING CIRCULAR NO. SEBI/HO/DDHS/DDHS\_Div1/P/CIR/2022/0000000103 DATED JULY 29, 2022, AS UPDATED UPTO DECEMBER 1, 2022.**

21.1 The additional disclosures that are required to be included in the Scheme in terms of the aforesaid circular, pursuant to the NCDs of the Transferee Company being listed are contained in Annexure A.



**22. SCHEME CONDITIONAL UPON**

**22.1 The Scheme is conditional and is subject to:**

- (a) receipt of consents, no-objection letters, approvals by the Transferee Company from the Stock Exchanges in accordance with the LODR Regulations and the SEBI Circulars in respect of the Scheme (prior to filing the Scheme with the Competent Authority), which shall be in form and substance acceptable to the Companies, each acting reasonably and in good faith;
- (b) the Scheme being agreed to (in the manner prescribed herein) by the respective requisite majorities of the various classes of shareholders of the Companies as required under the Act;
- (c) the Scheme being approved by the public shareholders of the Transferee Company through e-voting in terms of Part - I (A)(10)(a) of SEBI Master circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 and the Scheme shall be acted upon only if votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders against it;
- (d) there having been no interim or final ruling, decree or direction by any Appropriate Authority, which has not been stayed by an appellate authority, which has the effect of prohibiting or making unlawful, the consummation of the proposed Scheme by any of the Companies; and
- (e) the Scheme being sanctioned by the Competent Authority under Sections 230 to 232 of the Act, on terms as originally approved by or with such modifications as are acceptable to the Companies.

**23. AMENDMENT TO MEMORANDUM OF ASSOCIATION OF TRANSFEREE COMPANY**

**23.1 Change in Object Clause**

- (a) In order to carry on the activities currently being carried on by the Transferor Company in relation to the Undertaking, upon coming into effect of the Scheme, the applicable main objects in the memorandum of association of the Transferor Company shall be added to the matters which are necessary for furtherance of the objects of the memorandum of association of the Transferee Company, to the extent such objects are not already covered in the memorandum of association of the Transferee Company, pursuant to the applicable provisions of the Act.
- (b) Under the accepted principle of single window clearance, it is hereby provided that the amendments pursuant to this Clause 22.1 shall become operative on the Scheme becoming effective by virtue of the fact that the shareholders of the Transferee Company, while approving the Scheme as a whole, have approved and accorded the relevant consents as required under the Act for amendment of the memorandum of association of the Transferee Company and shall not be required to pass separate resolutions under the applicable provisions of the Act.

**23.2 Increase of Authorised Share Capital**

- (a) As an integral part of the Scheme, and, upon coming into effect of the Scheme, the authorised share capital of the Transferor Company shall stand merged with the authorized share capital representing the ordinary shares of the Transferee Company and consequently, the authorized share capital of the Transferee Company shall stand suitably increased, without any further act, instrument or deed.



- (b) Clause V of the Memorandum of Association of the Transferee Company (relating to authorised share capital) and without any further instrument, act or deed be stand altered, modified and amended pursuant to Sections 13, 14, 61, 62 and 64 and other applicable provisions of the Act.
- (c) Pursuant to this Scheme, the Transferee Company shall file the requisite forms, if any, with the Registrar of Companies for alteration of its authorized share capital. The fee paid by the Transferor Company on its authorised capital, shall be set off against any fees payable by the Transferee Company on its authorised capital subsequent to the amalgamation and dissolution of the Transferor Company.
- (d) Under the accepted principle of single window clearance, it is hereby provided that the amendments pursuant to this Clause 22.2 shall become operative on the Scheme becoming effective by virtue of the fact that the shareholders of the Transferee Company, while approving the Scheme as a whole, have approved and accorded the relevant consents as required under the Act for amendment of the memorandum of association of Transferee Company and shall not be required to pass separate resolutions under the applicable provisions of the Act.

#### 24. MODIFICATIONS

24.1 The Companies (acting through their respective Boards or committees or such other person or persons, as the respective Board of Directors may authorize) may, in their full and absolute discretion, jointly and as mutually agreed in writing:

- (a) assent/ make and/ or consent to any modifications or amendments to this Scheme, or to any conditions or limitations as may be mutually agreed and which the Competent Authority and/or any other authorities may deem fit to direct or impose, and/or effect any other modification or amendment, and to do all acts, deeds and things which may otherwise be considered necessary or desirable or appropriate for settling any question or doubt or difficulty that may arise for implementing and / or carrying out this Scheme;
- (b) take such steps and do all such acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and give such directions (acting jointly) as to resolve any doubts, difficulties or questions, arising under this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any insolvent or deceased shareholders, debenture holders, depositors of the respective Companies), whether by reason of any order(s) of the Competent Authority or of any direction or orders of any other Appropriate Authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith, or to review the position relating to the satisfaction of the various conditions of the Scheme and if necessary, to waive any of those (to the extent permissible under the law);
- (c) modify or vary this Scheme prior to the Effective Date in any manner at any time subject to Applicable Law; and
- (d) determine jointly whether any asset, liability, employee, legal or other proceedings pertains to the Transferor Company or not, on the basis of any evidence that they may deem relevant for this purpose.

24.2 In case, post approval of the Scheme by the Competent Authority, there is any confusion in



interpreting any Clause of this Scheme. or otherwise, the Board of Directors of the respective Companies shall have complete power to mutually take the most sensible interpretation so as to render the Scheme operational.

**25. Effect of non-receipt of Approvals**

- 25.1 The Scheme shall not come into effect unless the aforementioned conditions mentioned in Clause 21.1 above are satisfied and in such an event, the Scheme shall become null and void. Unless each of the conditions are satisfied, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Companies or their respective shareholders or creditors or employees or any other person.
- 25.2 In the event of this Scheme failing to take effect, the Board of Directors of any of the Companies may opt to terminate this Scheme and the Scheme shall stand revoked, cancelled and be of no effect and any of the Companies, if required, may file appropriate proceedings before the Competent Authority in this respect.
- 25.3 Upon the termination of the Scheme, no rights and liabilities whatsoever shall accrue to or be incurred *inter-se* between the Companies or their shareholders or creditors or employees or any other person.

**26. Conflict between Scheme and other arrangement**

- 26.1 In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Companies and their respective shareholders and the terms and conditions of this Scheme, the latter shall prevail.

**27. Removal of Difficulties**

- 27.1 The Companies through mutual consent and acting through their respective Boards, jointly and as mutually agreed in writing may:
- (a) give such directions (acting jointly) and agree to take steps, as may be necessary, desirable or proper, to resolve all doubts, difficulties or questions arising under this Scheme, whether by reason of any orders of the Competent Authority or of any directive or orders of any Appropriate Authority, under or by virtue of this Scheme in relation to the arrangement contemplated in this Scheme and/ or matters concerning or connected therewith or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any manner whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those to the extent permissible under Applicable Law; and/or
  - (b) do all such acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.
- 27.2 Without prejudice to the other provisions of the Scheme and notwithstanding the vesting of the Undertaking into the Transferee Company by virtue of the Scheme itself, in order to ensure (i) implementation of the provisions of the Scheme; and (ii) continued vesting of the benefits, exemptions available to the Transferor Company in favour of the Transferee Company, 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 Applicable Law or otherwise, execute deeds





(including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement in relation to which the Transferor Company has been a party, including any filings with the regulatory authorities in order to give formal effect to the above provisions and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.

**28. Severability**

- 28.1 If any part of this Scheme hereof is invalid, ruled illegal by Competent Authority or any court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Companies that such part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to either of the Companies, in which case the Companies, acting through their respective Boards of Directors, shall attempt to bring about a modification in the Scheme, as will best preserve for the Companies the benefits and obligations of the Scheme including but not limited to such part, which is invalid, ruled illegal or rejected by the Competent Authority or any court of competent jurisdiction, or unenforceable under present or future Applicable Laws.
29. Upon the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred on the Appointed Date and become effective and operative only in the sequence and in the order mentioned hereunder:
- (a) amalgamation of the Undertaking into the Transferee Company in accordance with Part II of the Scheme;
  - (b) cancellation of all the issued share capital of the Transferor Company which shall be affected as a part of the Scheme and not in accordance with Section 66 of the Act and payment to all the shareholders of the Transferor Company (other than the Transferee Company) cash consideration as per the approved valuation report, without any further act, instrument or deed, in accordance with Part II of this Scheme;
  - (c) transfer of the authorised share capital of the Transferor Company to the Transferee Company as provided in Part III of this Scheme, and consequential increase in the authorised share capital of the Transferee Company as provided in Part III of this Scheme; and
  - (d) dissolution of the Transferor Company, without winding up.
30. Upon this Scheme becoming effective, the accounts of the Companies, as on the Appointed Date shall be reconstructed in accordance with the terms of this Scheme.
31. All costs, charges expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.), of the Transferor Company and the Transferee Company arising out of or incurred in connection with and implementing this Scheme and matters incidental shall be borne by the Transferee Company.
32. Upon the Scheme coming into effect, with effect from the Appointed Date, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company. If any such resolutions have any monetary limits approved as per the provisions of the Act, or any other applicable statutory provisions, then such limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits



in the Transferee Company.

33. Upon this Scheme becoming effective, the Transferee Company shall be entitled to occupy and use all premises, whether owned, leased or licensed, relating to the Transferor Company until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally accepted by the parties concerned.
34. Even after the Scheme becomes effective, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Company and realise all monies and complete and enforce all pending contracts and transactions in respect of the Transferor Company in the name of the Transferor Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally accepted by the parties concerned.
35. The Companies shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any law for such consents and approvals which the Transferee Company may require to carry on the business of the Transferor Company.
36. The provisions contained in this Scheme are inextricably inter-linked 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 the respective Board of Directors of the Transferor Company and the Transferee Company or any committee constituted by such Boards.
37. The Companies shall be at liberty to withdraw this Scheme at any time as may be mutually agreed by the respective Board of Directors of the Companies prior to the Effective Date. In such a case, each of the Companies shall respectively bear their own cost or as may be mutually agreed. It is hereby clarified that notwithstanding anything to the contrary contained in this Scheme, any one of the Companies shall not be entitled to withdraw the Scheme unilaterally: (a) without the prior written consent of the other Company; or (b) unless such withdrawal is in accordance with any written agreement entered into between the Companies.

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ANNEXURE A

Issuer of NCDs: Transforce Company

SN	ISIN	Face Value	Issuance Date	Maturity Date/Redemption Date	Terms of Redemption	Tenure (in years)	Coupon Rate	Payment Frequency	Amount Issued (Rs. in crore)	Redemption Amount (Rs. in crore)	Credit Rating	Name of Debenture Trustee
1	JNE081A08215	10,00,000	October 4, 2016	October 1, 2026	Bullet repayment at the end of maturity October 1, 2026	10	8.15% p.a. NCDs	Annually	1,000	1,000	AA+ by CARE and AA+ by Brickworks	
2	*JNE081A08223	10,00,000	March 1, 2019	a) Rs.1,078.75 crore will mature on February 28, 2031 b) Rs.1,078.75 crore will mature on March 01, 2032 c) Rs.1,078.75 crore will mature on March 01, 2033 d) Rs.1,078.75	a) Rs.1,078.75 crore will mature on February 28, 2031 b) Rs.1,078.75 crore will mature on March 01, 2032 c) Rs.1,078.75 crore will mature on March 01, 2033 d) Rs.1,078.75	15	9.8359% p.a. NCDs	Annually	4,315	4,315	AA+ by CARE and AA+ by Ind Ra	IDBI Trusteeship Services Limited



3	*INE081A08231	10,00,000	March 13, 2020	March 13, 2025	March 01, 2034	will mature on March 01, 2034	will mature on March 01, 2034	5	7.70% p.a. NCDs	Annually	670	670	670	AA+ by CARE and AA+ by Ind Ra
4	*INE081A08249	10,00,000	April 17, 2020	April 17, 2023	April 17, 2023	will mature on April 17, 2023	will mature on April 17, 2023	1	7.85% p.a. NCDs	Annually	1,025	1,025	1,025	AA+ by CARE and AA+ by Ind Ra
5	*INE081A08256	10,00,000	April 22, 2020	April 21, 2023	April 21, 2023	will mature on April 21, 2023	will mature on April 21, 2023	3	7.85% p.a. NCDs	Annually	510	510	510	AA+ by CARE and AA+ by Ind Ra
6	*INE081A08264	10,00,000	April 27, 2020	April 27, 2023	April 27, 2023	will mature on April 27, 2023	will mature on April 27, 2023	1	Floating rate NCDs	Annually	1,000	1,000	1,000	AA+ by CARE and AA+ by Ind Ra



7	*INE081A08280	10,00,000	April 30, 2020	April 28, 2023	Bullet repayment at the end of maturity April 28, 2023	3	Floating rate NCDs (Series A)	Annually	500	500	AA+ by CARE and AA+ by Ind Ra
8	*INE081A08272	10,00,000	April 30, 2020	October 30, 2023	Bullet repayment at the end of maturity October 30, 2023	3.5	7.95% p.a. NCDs (Series B)	Annually	500	500	AA+ by CARE and AA+ by Ind Ra
9	*INE081A08298	10,00,000	May 20, 2020	May 19, 2023	Bullet repayment at the end of maturity May 19, 2023	3	8.25% p.a. NCDs	Annually	1,000	1,000	AA+ by CARE and AA+ by Ind Ra
10	*INE081A08306	10,00,000	June 3, 2020	June 2, 2023	Bullet repayment at the end of maturity June 2, 2023	3	Floating rate NCDs	Annually	400	400	AA+ by CARE and AA+ by Ind Ra
11	INE081A08314	10,00,000	September 20, 2022	September 20, 2027	Bullet Repayment at the end of maturity September 20, 2027	5	7.50% p.a. (Series I Debenture)	Annually	500	500	AA+ by CARE and AA+ by Ind Ra



12	INE081A08322	10,00,000	September 20, 2022	September 20, 2032	Bullet Repayment at the end of maturity September 20, 2032	10	7.76% p.a. (Series 2 Debenture)	Annually	1,500	1,500
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- (a) **Redemption Price:** at par
- (b) **Redemption Premium/Discount:** NA
- (c) **Early Redemption Scenario Details:** \* For NCDs under these ISINs if the issuer i.e., Tata Steel Limited determines that, for reasons beyond its control, the performance of its obligations under the Debentures has become illegal or impractical in whole or in part for any reason, it may, at its discretion and without obligation, redeem the Debentures prior to maturity.
- (d) **Other embedded Features (put option, call option, dates, notification times, etc) :** NA
- (e) **Other terms/any other information/details pertinent for holders of NCDs:** Relevant information is covered in Annexure A.
- (f) **Safeguards for the protection of holders of NCDs:** The Scheme envisages the amalgamation of the Transferor Company which is an unlisted subsidiary into the Transferee Company. Under the Scheme, no arrangement or compromise is being proposed with the holders of the NCDs of the Transferee Company. The liability of the NCD holders of the Transferee Company, under the Scheme, is neither being reduced nor being extinguished. Further, the holders of the NCDs shall continue to hold all the NCDs in the Transferee Company even post the Scheme becoming effective, on the same terms and conditions at which they were issued. The Scheme, therefore, has adequate safeguards for the protection of holders of NCDs.
- (g) **Exit offer to the dissenting holders of NCD, if any:** Since the holders of the NCDs in the Transferee Company shall continue to hold all the NCDs in the Transferee Company even post the Scheme becoming effective on the same terms and conditions at which they were issued, the holders of the NCDs are not affected by the Scheme. Further, the liability of the NCD holders of the Transferee Company, under the Scheme, is neither being reduced nor being extinguished. Therefore, the Scheme, does not envisage any exit offer to the dissenting holders of NCDs.
- (h) **Latest audited financial statements along with notes to accounts and audit qualifications, if any:**  
Please refer to the following URL on the website of the Transferee Company  
<https://www.tatasteel.com/investors/integrated-report/annual-report-integrated-report-annual-accounts-2021-22-115th-year-and-related-documents/>  
<https://www.tatasteel.com/investors/financial-performance/financial-results/>  
Please refer to the following URL on the website of the Transferor Company  
<https://angulenergy.co.in/investor%20Relations%20pdf/financial%20reports/Annual%20Report%202021-22/>  
<https://www.tatasteel.com/investors/amalgamation/amalgamation-of-angul-energy-limited-into-and-with-tata-steel-limited/>
- (i) **An auditor's certificate certifying the payment/repayment capability of the resultant entity:** Please refer to the following URL on the website of the Transferee Company  
<https://www.tatasteel.com/investors/amalgamation/amalgamation-of-angul-energy-limited-into-and-with-tata-steel-limited/>
- (j) **Fairness report:** Please refer to following the URL on the website of the Transferee Company.  
<https://www.tatasteel.com/investors/amalgamation/amalgamation-of-angul-energy-limited-into-and-with-tata-steel-limited/>



**Auditor's Certificate on compliance of the proposed accounting treatment in the Draft Scheme of Amalgamation with applicable accounting standards**

The Board of Directors,  
M/s Angul Energy Limited,  
Ground Floor, Mira Corporate Suites,  
Plot No. 1& 2, Ishwar Nagar, Mathura Road,  
New Delhi 110065

True Copy  
Angul Energy Limited  
*Rupesh Purwar*  
(Rupesh Purwar)  
Company Secretary

1. This certificate is issued in accordance with the terms of our agreement dated February 01, 2023.
2. We, the statutory auditors of Angul Energy Limited (hereinafter referred to as the "Company" or the "Transferor Company"), have examined the proposed accounting treatment specified in Clause 18.1 of Part II of the Draft Scheme of Amalgamation of Angul Energy Limited (the "Transferor Company") with Tata Steel Limited (the "Transferee Company") (the "Draft Scheme") as approved by the Board of Directors of the Company in their meeting held on February 06, 2023, in terms of the provisions of sections 230 to 232 of the Companies Act, 2013 (the "Act") with reference to its compliance with the applicable accounting standards specified under Section 133 of the Act (the 'applicable accounting standards') and other generally accepted accounting principles.

**Management's Responsibility**

3. The responsibility for the preparation of the Draft Scheme and its compliance with the Act including the applicable accounting standards and other generally accepted accounting principles as aforesaid, is that of the Board of Directors of the Company.

**Auditor's Responsibility**

4. Pursuant to the requirements of proviso to sub-section (7) of section 230 of the Act our responsibility is to examine the Draft Scheme and certify whether the accounting treatment contained in Clause 18.1 of Part II of the Draft Scheme is in compliance with the applicable accounting standards specified under Section 133 of the Act and other generally accepted accounting principles.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC)1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

7. Based on our examination of the Draft Scheme and according to the information and explanation given to us, and as mentioned in Clause 18.1 of Part II of the Draft Scheme, upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and no specific accounting treatment in the books of the Transferor Company has been prescribed in the Draft Scheme. Accordingly, the question of our commenting on the compliance of same with the applicable Accounting Standards and other generally accepted accounting principles does not arise.



## Restrictions on Use

8. Our work was performed solely to assist you in meeting the requirements of the Act to enable the Company to file the Draft Scheme with the National Company Law Tribunal (NCLT). Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have as auditors of the Company or otherwise. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.
9. This Certificate is issued at the request of the Board of Directors of the Company to whom it is addressed, for onward submission to the NCLT and should not be used for any other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Place: Noida (Delhi – NCR)  
Date: February 06, 2023



For Singhi & Co.  
Chartered Accountants  
Firm Registration No. 302049E

  
Bimal Kumar Sipani  
Partner

Membership No. 088926  
UDIN: 23088926BGXAWWE2886

