

Scheme of Amalgamation
(Pursuant to Sections 230 and 232 of the Companies Act, 2013)
of
UltraTech Nathdwara Cement Limited
and
Swiss Merchandise Infrastructure Limited
and
Merit Plaza Limited
with
UltraTech Cement Limited

This Scheme provides for amalgamation of three Transferor Companies, being UltraTech Nathdwara Cement Limited and its wholly-owned subsidiaries, viz Swiss Merchandise Infrastructure Limited and Merit Plaza Limited, with the Transferee Company, being UltraTech Cement Limited, with effect from 1st April, 2023 (Appointed Date).

This Scheme is divided into two parts:

Part I – Definitions, Share Capital, Interpretation and Rationale

Part II – Amalgamation of the Transferor Companies with the Transferee Company

PART - I

(Definitions, Share Capital, Interpretation and Rationale)

1. DEFINITIONS AND INTERPRETATION:

1.1 In this Scheme, unless inconsistent with the meaning or context thereof, the following expressions shall have the following meanings:

“**Act**” means the Companies Act, 2013 and any Rules, Regulations, circulars or notification or guidelines issued thereunder and shall include any statutory modifications or re-enactment thereof.

“**Appointed Date**” means the 1st day of April, 2023.

“**Applicable Law**” or “**Law**” means any applicable national, foreign, provincial, local or other law including all applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Transferor Companies and Transferee Company; (b) approvals; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Transferor Companies and Transferee Company as may be in force from time to time;



“Appropriate Authority” means:

- (a) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunals, central bank, commission or other authority thereof; and
- (b) any governmental, quasi-governmental or private body, self-regulatory organisation, or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, tax, import, export or other governmental or quasi-governmental authority including without limitation, SEBI, Stock Exchanges, clearing corporations, and the Tribunal.

“Board of Directors” or **“Board”** means the Board of Directors of the respective Transferor Companies and / or the Transferee Company, as the context may require, and includes Committees of the Board, if any, constituted for the implementation of the Scheme.

“Effective Date” means the date or last of the dates on which all the conditions mentioned in Clause 16 are fulfilled, obtained or waived.

“Encumbrance” means (i) any charge, lien (statutory or other), or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any person; (ii) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, transfer, receipt of income or exercise; or (iii) any hypothecation, title retention, restriction, power of sale or other type of preferential arrangements; or (iv) any agreement to create any of the above; the term **“Encumber”** shall be construed accordingly;

“Income Tax Act” means the Income Tax Act, 1961 and any Rules, Regulations, circulars or notification or guidelines issued thereunder and shall include any statutory modifications or re-enactment thereof.

“MPL” means Merit Plaza Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act, having Corporate Identification No. U70109WB2010PLC155943 and its registered office at PS Arcadia Central, 5th Floor, 4A Abanindra Nath Thakur Sarani (Camac Street), Kolkata 700 016 in the State of West Bengal.

“Scheme” means this Scheme of Amalgamation of the Transferor Companies with the Transferee Company pursuant to Sections 230 and 232 of the Act in the present form or with such modification(s) as sanctioned by the Hon’ble Tribunal.

“SMIL” means Swiss Merchandise Infrastructure Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act, having Corporate Identification No. U45400WB2010PLC154432 and its registered



office at PS Arcadia Central, 5th Floor, 4A Abanindra Nath Thakur Sarani (Camac Street), Kolkata 700 016 in the State of West Bengal.

“Taxation” or “Tax” or “Taxes” means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies and whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, sales, manufacture, service, supply, entry into, import, export, employment or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, collection at source, advance tax, Minimum Alternate Tax (MAT) or otherwise or attributable directly or primarily to the Transferor Companies, Transferee Company or any other person and all penalties, charges, costs and interest relating thereto;

“Tax Laws” means all Applicable Laws, acts, rules and regulations dealing with Taxes, duties and cesses by whatever name called, including but not limited to income-tax, wealth tax, profession tax, sales tax, value added taxes, central sales tax, entry taxes, local / municipal taxes and levies, service tax, goods and services tax, central excise duty, customs duty, benefits under the Foreign Trade Policies or any other levy of similar nature;

“Transferee Company” means UltraTech Cement Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act, having Corporate Identification No. L26940MH2000PLC128420 and its registered office at B-Wing, Ahura Centre, 2nd Floor, Mahakali Caves Road, Andheri East, Mumbai 400 093 in the State of Maharashtra.

“Transferor Companies” means UNCL, SMIL and MPL collectively or any one or more of them as the context requires.

“Tribunal” or “NCLT” means the respective Bench or Benches of the Hon’ble National Company Law Tribunal at Kolkata and/or Mumbai, as the case may be, sanctioning this Scheme pursuant to Sections 230 and 232 of the Act.

“UNCL” means UltraTech Nathdwara Cement Limited, a Company incorporated under the Companies Act, 1956 and being a Company within the meaning of the Act, having Corporate Identification No. U26941WB1996PLC076612 and its registered office at PS Arcadia Central, 5th Floor, 4A Abanindra Nath Thakur Sarani (Camac Street), Kolkata 700 016 in the State of West Bengal.

“Undertakings of the Transferor Companies” means and includes:

- (a) All the properties, assets, rights and powers of the Transferor Companies; and
- (b) All the debts, liabilities, duties and obligations of the Transferor Companies.

Without prejudice to the generality of the foregoing clause, the said Undertakings of the Transferor Companies shall include all rights, powers, interests, authorities, privileges and all properties and assets, moveable or immovable, freehold or



leasehold, real or personal, tangible or intangible (including various business or commercial rights whether or not recorded in books of the Transferor Companies), corporeal or incorporeal, in possession or reversion, present or contingent, of whatsoever nature and wherever situated, including all lands, mines, buildings, plant and machinery, office equipment, inventories, investments in shares, bonds and other securities, sundry debtors, cash and bank balances, income tax benefits and exemptions, including accumulated tax losses and unabsorbed depreciation as per books of account of the Transferor Companies as well as per the Income Tax Act and right to carry forward and set off unabsorbed business losses and brought forward depreciation under Section 72A of the Income Tax Act read with Rule 9C of the Income Tax Rules, 1962, losses under the head capital gains, tax credits (including but not limited to advance tax, tax deducted at source/ tax collected at source, minimum alternate tax, input tax credits, taxes withheld/paid in foreign country, or any other benefits etc.), claims allowable on deferred basis under Section 35DD of the Income Tax Act or on payment basis under Section 43B, 40(a)(i) and 40(ia) of the Income Tax Act and any other similar claims under the Income Tax Act, tax refunds, loans and advances, leases and all other interests and rights in or arising out of such properties together with all liberties, easements, advantages, exemptions, approvals, no-objection certificates, permits, entitlements, rights and licenses (including mining leases and licenses, prospecting licenses and applications therefor, license granted by any governmental statutory or regulatory bodies for the purpose of carrying out its business or in connection therefor), if any, held as on the Appointed Date, applied for or as may be obtained thereafter by the Transferor Companies or which the Transferor Companies are entitled to, together with the benefit of all respective contracts and engagements and all respective books, papers, documents and records of the Transferor Companies.

Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed thereto.

- 1.2 All terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Insolvency and Bankruptcy Code, 2016, the Income Tax Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 (as the case may be) or other Applicable Laws, rules, regulations, bye-laws, as the case may be, including any statutory amendment, modification or re-enactment thereof, from time to time.

1.3 Interpretation

In this Scheme, unless the context otherwise requires:

- 1.3.1 words denoting the singular shall include the plural and vice versa;
- 1.3.2 any person includes that person's legal heirs, administrators, executors, liquidators, successors, successors-in-interest and permitted assigns, as the case may be;



1.3.3 headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are for information and convenience only and shall be ignored in construing the same;

1.3.4 the term 'Clause' refers to the specified clause of this Scheme; and

1.3.5 the words "include" and "including" are to be construed without limitation.

2. DATE OF APPROVAL OF SCHEME BY BOARD OF DIRECTORS AND SHARE CAPITAL:

2.1 This Scheme was approved unanimously by the respective Boards of Directors of the Transferor Companies and the Transferee Company at their respective meetings held on 28th April, 2023.

2.2 The Authorised, Issued, Subscribed and Paid-up Share Capital of the Transferor Companies and the Transferee Company as on the date of approval of this Scheme by the respective Board of Directors of the said companies was as under:

A. UNCL

| Particulars | Amount in INR |
|---|-----------------------|
| Authorised Share Capital | |
| 400,00,00,000 Equity Shares of INR 10/- each | 4000,00,00,000 |
| 20,00,00,00,000 Preference Shares of INR 100/- each | 2000,00,00,000 |
| TOTAL | 6000,00,00,000 |
| Issued, Subscribed and Paid-up Share Capital | |
| 340,00,00,00,000 Equity Shares of INR 10/- each fully paid up | 3400,00,00,000 |
| TOTAL | 3400,00,00,000 |

B. SMIL

| Particulars | Amount in INR |
|---|------------------|
| Authorised Share Capital | |
| 1,00,000 Equity Shares of INR 10/- each | 10,00,000 |
| TOTAL | 10,00,000 |
| Issued, Subscribed and Paid-up Share Capital | |
| 50,000 Equity Shares of INR 10/- each fully paid up | 5,00,000 |
| TOTAL | 5,00,000 |

C. MPL

| Particulars | Amount in INR |
|---|-----------------|
| Authorised Share Capital | |
| 50,000 Equity Shares of INR 10/- each | 5,00,000 |
| TOTAL | 5,00,000 |
| Issued, Subscribed and Paid-up Share Capital | |
| 50,000 Equity Shares of INR 10/- each fully paid up | 5,00,000 |
| TOTAL | 5,00,000 |



D. Transferee Company

| Particulars | Amount in INR |
|---|-----------------------|
| Authorised Share Capital | |
| 78,00,00,000 Equity Shares of INR 10/- each | 780,00,00,000 |
| 1,02,000 Cumulative Redeemable Preference Shares of INR 1,00,000 each | 1020,00,00,000 |
| TOTAL | 1800,00,00,000 |
| Issued, Subscribed and Paid-up Share Capital | |
| 28,86,86,345 Equity Shares of INR 10/- each fully paid up* | 288,68,63,450 |
| 100,000 Cumulative Redeemable Preference Shares of INR 1,00,000 each fully paid up (**) | 1000,00,00,000 |
| TOTAL | 1288,68,63,450 |

* The Transferee Company has outstanding employee stock options under its existing stock option schemes, the exercise of which may result in an increase in the Issued, Subscribed and Paid-up Equity Share Capital of the Transferee Company.

** These Preference Shares are classified and presented as financial liability for capital goods in the Balance Sheet of the Transferee Company.

3. RATIONALE

- i. The Transferee Company is the largest cement manufacturing company in India engaged in the business of manufacturing grey cement, white cement, ready mix concrete and various building products, including autoclaved aerated concrete (AAC) blocks and waterproofing, grouting and plastering solutions. The Transferee Company has been able to significantly grow its cement manufacturing business over the years by installing and adding new manufacturing capacity itself as also by acquiring existing cement manufacturing business from other companies and successfully integrating such acquired business with itself.
- ii. UNCL is also engaged in the business of manufacturing grey cement at its unit situated in District Sirohi in the State of Rajasthan. However, its business had been adversely impacted and since it was unable to repay its debts, a Corporate Insolvency Resolution Process ("CIRP") in terms of the provisions of the Insolvency and Bankruptcy Code, 2016 ("Code") was initiated against it by the Bank of Baroda, a financial creditor, under Section 7 of the Code. The Hon'ble National Company Law Tribunal, Kolkata Bench admitted the said application of the financial creditor for initiation of CIRP of UNCL on 25th July, 2017.
- iii. In terms of the Code, plans for resolution of corporate insolvency of UNCL were invited from interested applicants. The Transferee Company also submitted a plan for resolution of corporate insolvency of UNCL. From the resolution plans submitted by various applicants, the Committee of Creditors of UNCL formed under the Code approved the resolution plan submitted by the Transferee Company. The same was ultimately approved by the Hon'ble National Company Law Appellate Tribunal by its order dated 14th November, 2018 under Section 31 of the Code.



- iv. The said resolution plan became effective on 20th November, 2018. The entire pre-resolution debts owed to the financial creditors, operational creditors and other creditors stood discharged by payment of the amounts apportioned for them under the resolution plan. The resolution plan thereby enabled and resulted in a fresh start for the business of UNCL under the new management of the Transferee Company. As part of the resolution plan, UNCL became a wholly owned subsidiary of the Transferee Company with the entire pre-resolution share capital of UNCL standing cancelled and the entire post-resolution share capital of UNCL being issued to and held by the Transferee Company and its nominees.
- v. The business of UNCL has since turned around and stabilised under the Transferee Company's management with good capacity utilisation. The turnover of UNCL has increased from INR 1165.06 crores in the financial year 2018-2019 to INR 2072.17 crores in the financial year 2022-2023. Further, UNCL which had reported loss of INR 743.24 crores for the financial year 2018-19 reported profits of INR 92.08 crores in the financial year 2022-2023.
- vi. In order to integrate the business of UNCL with the business of the Transferee Company more beneficially, it is considered desirable and expedient to now amalgamate UNCL with the Transferee Company in the manner and on the terms and conditions stated in this Scheme of Amalgamation.
- vii. The other two Transferor Companies herein, viz SMIL and MPL, were wholly owned subsidiaries of UNCL at the time of approval of the resolution plan and thus came in the fold of the Transferee Company along with UNCL pursuant to the resolution plan. The said two Transferor Companies are thus step-down subsidiaries of the Transferee Company. However, the said companies do not have a significant business at present and as such no useful purpose is being served by continuing with them as separate entities. It is thus considered desirable and expedient to reduce the number of companies and also amalgamate the said two step-down subsidiaries with the Transferee Company as part of this Scheme of Amalgamation.
- viii. The other benefits and advantages of the amalgamation are, inter alia, as follows:-
- (a) The amalgamation will enable the Transferee Company to absorb the business of UNCL completely for carrying on the same more effectively and beneficially and deriving the utmost value from the amalgamated business.
- (b) The business of the amalgamated entity will be carried on more efficiently and economically pursuant to the amalgamation as a result, inter alia, of pooling and more effective utilisation of the combined resources of the said companies, reduction in overheads, costs and expenses, economies of scale, elimination of duplication of work and rationalization and reduction of compliance requirements which will be facilitated by and follow the amalgamation.
- (c) The amalgamation will lead to reduction and rationalisation of multiple entities in the group.



- (d) The amalgamation will enable greater realisation of the potential of the business of UNCL and the Transferee Company in the amalgamated entity.
- ix. The Scheme is proposed to the advantage of the Transferor Companies and the Transferee Company and will have beneficial results for the said companies, their shareholders, employees and all concerned.

PART - II

(Amalgamation of the Transferor Companies with the Transferee Company)

4. TRANSFER OF UNDERTAKINGS:

- 4.1 With effect from the Appointed Date, the Transferor Companies shall stand amalgamated with the Transferee Company. Accordingly, the Undertakings of the Transferor Companies shall, pursuant to the provisions contained in Section 232 and other applicable provisions of the Act, stand transferred to and vested in and be deemed to be transferred to and vested in the Transferee Company, as going concerns without any further act, deed, matter or thing so as to become on and from the Appointed Date, the Undertakings of the Transferee Company as provided herein.
- 4.2. Such of the assets and properties of the Transferor Companies as are movable in nature or are otherwise capable of transfer by physical or constructive delivery or possession, or by endorsement and/or delivery the same shall, be so transferred by the Transferor Companies to the Transferee Company, without any deed or instrument of conveyance for the same, and shall be deemed to have been transferred to the Transferee Company as a part of the transfer of the Undertakings of the Transferor Companies as going concerns, so as to become the assets and properties of the Transferee Company with effect from the Appointed Date.
- 4.3 In respect of such of the assets and properties of the Transferor Companies other than those referred to in Clause 4.2 above, including expressly all immovable assets and properties of the Transferor Companies, such assets and properties along with all right, title and interest therein shall be transferred to and vested, in and/or be deemed to be transferred to and vested in the Transferee Company, without any further act or deed, pursuant to the provisions of Section 232(4) of the Act so as to become the assets and properties of the Transferee Company with effect from the Appointed Date.
- 4.4 All debts, liabilities, credit facilities, duties and obligations of the Transferor Companies, shall also be transferred to the Transferee Company, without any further act, instrument or deed, pursuant to the provisions of Section 232(4) of the Act, so as to become the debts, liabilities, credit facilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Companies with effect from the Appointed Date.
- 4.5 It is clarified that all rights and benefits which are available to UNCL pursuant to the resolution plan approved by the Hon'ble National Company Law Appellate Tribunal by its order dated 14th November, 2018 under Section 31 of the Code, as aforesaid,



shall continue to be available and be deemed to be available to the Transferee Company upon the Scheme becoming effective. This Scheme of Amalgamation shall not revive or affect in any manner the liabilities, obligations and claims of whatsoever nature (including contingent claims, if any) which stand or are deemed to be discharged / settled pursuant to the said resolution plan.

- 4.6 The Undertakings of the Transferor Companies, as aforesaid, shall continue to be subject to the existing charges, mortgages and other Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such charges shall be confined only to the relative assets of the Transferor Companies or part thereof on or over which they are subsisting on transfer of such assets to the Transferee Company and no such charges shall extend over or apply to any other asset(s) of the Transferee Company. Any reference in any security documents or arrangements (to which the Transferor Companies are a party) to any assets of the Transferor Companies shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company. Similarly, the Transferee Company shall not be required to create any additional security over assets acquired by it under this Scheme for any loans, debentures, deposits or other financial assistance already availed/to be availed by it and the charges in respect of such indebtedness of the Transferee Company shall not extend or be deemed to extend or apply to the assets so acquired by the Transferee Company.
- 4.7 For the removal of doubts, it is clarified that to the extent that there are inter-company loans, debentures, deposits, obligations, balances or other outstanding as between the Transferor Companies and the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, debentures, deposits, balances or other outstanding with effect from the Appointed Date.
- 4.8 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that transfer and vesting of the relevant assets and liabilities of the Transferor Companies occurs by operation of Section 232(4) of the Act as provided herein:-
- i. The Transferee Company, pursuant to this Scheme, may, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Companies are parties or any writings, as may be considered desirable or expedient, 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 authorized to execute any such writings on behalf of the Transferor Companies to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Companies.



- ii. The Transferee Company may, if it so deems appropriate, give notice in such form as it deems fit and proper, to any debtor(s) or obligor(s) of the Transferor Companies that pursuant to the sanction of this Scheme by the Tribunal, the debt, loan, advance, claim, bank balance, deposit or other payable due or owed to or held on account of the Transferor Companies, as the case may be, be paid or made good or held on account of the Transferee Company as the person entitled thereto, to the end and intent that the right of the Transferor Companies to recover or realize such debt, loan, advance, claim, bank balance, deposit or other payable, stands transferred and assigned to the Transferee Company and that appropriate entries shall be passed in the books of accounts of the relevant debtor(s) or obligor(s) to record such change.
- 4.9 Upon the coming into effect of this Scheme, the resolutions / powers of attorney, and other actions undertaken by the Transferor Companies, including the approvals that may have been obtained by Transferor Companies from its shareholders under the provisions of the Act and which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute a part of the aggregate of the said limits in the Transferee Company.
- 4.10 On and from the Effective Date, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Companies and realize all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Transferor Companies in the name of the Transferor Companies in so far as may be necessary until the transfer of rights and obligations of the Transferor Companies to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions. Without prejudice to the generality of the foregoing, it is clarified that all cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Companies 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. The Transferee Company shall be allowed to maintain bank accounts in the name of the Transferor Companies for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Companies. It is hereby expressly clarified that any legal proceedings by or against the Transferor Companies in relation to the cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Companies shall be instituted, or as the case maybe, continued by or against the Transferee Company after the coming into effect of Part II the Scheme.



- 4.11 For avoidance of doubt and without prejudice to the generality of the applicable provisions of this Scheme, it is clarified that in order to ensure the smooth transition and sales of products and inventory of the Transferor Companies, manufactured and/or branded and/or labelled and/or packed in the name of the Transferor Companies prior to the Effective Date, the Transferee Company shall have the right to own, use, market, sell, exhaust or to in any manner deal with any such products and inventory (including packing material) pertaining to the Transferor Companies at manufacturing locations or warehouses or retail stores or elsewhere, without making any modifications whatsoever to such products and/or their branding, packing or labelling. All invoices/payment related documents pertaining to such products and inventory (including packing material) shall be raised in the name of the Transferee Company after the Effective Date.
- 4.12 Subject to the other provisions of this Scheme, all licenses, permits, approvals, permissions, consents, registrations, eligibility certificates and no-objection certificates obtained by the Transferor Companies for their operations and/or to which the Transferor Companies is entitled to in terms of the various Statutes, Schemes, Policies etcetera of Union and State Governments, including, without prejudice to the generality of the foregoing, mining leases and licenses, prospecting licences and applications therefor, shall be available to and vest in the Transferee Company, without any further act or deed and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Transferee Company. Since the Undertakings of the Transferor Companies will be transferred to and vested in the Transferee Company as going concerns without any break or interruption in the operations thereof, the Transferee Company shall be entitled to the benefit of all such licenses, permits, approvals, permissions, consents, registrations, eligibility certificates and no-objection certificates, including mining leases and licenses and prospecting licences and applications therefor, as enjoyed by the Transferor Companies and to carry on and continue the operations of the Undertakings of the Transferor Companies on the basis of the same upon this Scheme becoming effective. Further, all benefits to which the Transferor Companies are entitled or would have been entitled in absence of the amalgamation, in terms of the various Statutes and / or Schemes of Union and State Governments, including credit for MAT, Advance tax and tax deducted at source, expenses incurred by the Transferor Companies but deduction to be claimed on payment basis on compliance with withholding tax provisions (as the case may be) under Sections 40(a)(i), 40(a)(ia) or 43B, of the Income Tax Act (if any), other benefits under Income Tax Act, including tax credits and benefits relating to Section 72A of Income Tax Act, brought forward losses under the head capital gains and all other benefits under the other Tax Laws, including central excise duty (including Modvat/Cenvat), Sales Tax, Value Added Tax, Central Sales Tax, Entry Taxes, Service Tax and Goods and Services Tax, input tax credit, subsidies, grants, tax refunds etcetera shall be available to the Transferee Company upon this Scheme becoming effective. Further the Transferee Company shall be entitled to claim deduction of bad debts, advances, investments and any other receivables (including deposits with Government, semi-Government, local and other authorities and bodies), the provision for which was made by the Transferor



Companies but not claimed in their tax returns, such deductions being eligible on actual write off.

- 4.13 All Taxes, duties and other levies whatsoever under the Tax Laws, including without prejudice to the generality of the foregoing, Income Tax, advance tax, tax deducted at source, tax collected at source, self-assessment tax, minimum alternate tax, banking cash transaction tax, securities transaction tax, input tax credits, export benefits under the Foreign Trade Policies or any other act or policy, CENVAT credit, taxes withheld/paid in a foreign country, Goods and Services Tax, Value Added Taxes, Sales tax, Central Sales Tax, Customs Duty, Service Tax, Octroi, Entry Taxes, municipal taxes, Stamp Duty and cesses paid, payable, received or receivable by or on behalf of the Transferor Companies or being refundable to or the entitlement of the Transferor Companies in respect of the operations and/or profits before the Effective Date, including all or any refunds, claims or entitlements or credits (including credits for income tax, withholding tax, advance tax, self-assessment tax, minimum alternate tax, CENVAT credit, goods and service taxes credits, other indirect taxes credits and any other tax receivables, benefits, refunds etc.) shall, for all purposes, be treated as the taxes / cess / duties, liabilities or refunds, claims or credits, benefits, as the case may be, of the Transferee Company. Any tax incentives, subsidies, special status, benefits (including claims for unabsorbed tax losses and unabsorbed tax depreciation), advantages, privileges, exemptions, credits, tax holidays, remissions, reductions, rebates, etc. which would have been available to the Transferor Companies, shall be available to the Transferee Company, pursuant to this Scheme becoming effective and following the Effective Date, the Transferee Company shall be entitled to initiate, raise, add or modify any claims in relation to such taxes. The Transferee Company shall be entitled to claim carry forward and set off of unabsorbed business losses and brought forward depreciation u/s 72A of Income Tax Act read with Rule 9C of Income Tax Rules, 1962 and losses under the head capital gains, refunds or credits, input tax credits, including input tax credits under Sec 18(3) of the Goods and Services Act, CENVAT credit, etc., with respect to taxes paid by, for, or on behalf of, the Transferor Companies under the Tax Laws whether or not arising due to any inter se transaction, even if the prescribed time limits for claiming such refunds or credits have lapsed.
- 4.14 All *inter-se* transactions amongst Transferor Companies and Transferee Company between the Appointed Date and Effective Date shall be considered as transactions from Transferee Company to itself subject to the other provisions of this Scheme. Any tax deducted at source by Transferor Companies / Transferee Company on *inter-se* transactions amongst the Transferor Companies and the Transferee Company between the Appointed Date and Effective Date shall be deemed to be advance tax paid or tax deposited by the Transferee Company and shall, in all proceedings, be dealt with accordingly in the hands of the Transferee Company (including but not limited to grant of such tax deposited as credit against total tax payable by Transferee Company while filing consolidated return of income on or after Appointed Date). The Transferee Company shall be accordingly entitled to claim refund of tax paid, if any, on these *inter-se* transactions, as per the Tax Laws. Further any advance tax paid, Tax Deduction/Collection at Source (“TDS” or “TCS”) credits,



TDS/TCS certificates received by the Transferor Companies shall be deemed to be the advance tax paid by/TDS/TCS credit of the Transferee Company. Notwithstanding the foregoing, *inter se* transactions of supply or receipt of goods and services amongst the Transferor Companies and Transferee Company between the Appointed Date and Effective Date shall be subject to taxation under the Central Goods and Service Tax Act, 2017 in accordance with the provisions of Section 87 of the said Act. For the avoidance of doubt, input tax credits already availed of or utilized by the Transferor Companies and the Transferee Company in respect of such *inter-se* transactions of supply or receipt of goods and services between the Appointed Date and the Effective Date shall not be adversely impacted by the foregoing provisions of this clause.

- 4.15 All compliances under the Tax Laws between the Appointed Date and Effective Date, undertaken by the Transferor Companies, shall, upon this Scheme coming into effect, be deemed to have been complied with, by the Transferee Company. All statutory rights and obligations of Transferor Companies would vest in/accrue to Transferee Company. Hence, obligation of the Transferor Companies, prior to the Effective Date, to issue or receive any statutory declaration or any other forms by whatever name called, under the Tax Laws would be deemed to have been fulfilled if they are issued or received by Transferee Company and if any form relating to the period prior to the said Effective Date is received in the name of the Transferor Companies, it would be deemed to have been received by the Transferee Company in fulfilment of its obligations. Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for taxes paid (including, tax deducted at source, wealth tax, etc.) and for matters incidental thereto, if required, to give effect to the provisions of the Scheme.
- 4.16 The amalgamation of the Transferor Companies with the Transferee Company and transfer and vesting of the Undertakings of the Transferor Companies in the Transferee Company has been proposed in compliance with the provisions of Section 2(1B) of the Income Tax Act. The Transferee Company undertakes to ensure that all conditions precedent and requirements under section 72A of the Income Tax Act read with Rule 9C of the Income-tax Rules, 1962 will be complied with post amalgamation of the Transferor Companies with the Transferee Company. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section(s) at a later date, including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section(s) of the Income Tax Act shall prevail and the Scheme shall stand modified to the extent necessary to comply with the said Section(s). Such modification will however not affect the other parts of the Scheme.
- 4.17 Consequent to and as part of the amalgamation of the Transferor Companies with the Transferee Company herein, the Authorised Share Capital of the Transferor Companies shall stand merged into and combined with the Authorised Share Capital of the Transferee Company pursuant to the Scheme, without any further act or deed and without payment of any filing fees to the Registrar of Companies or stamp duty



in respect of such combined Authorised Share Capital, the Transferor Companies and the Transferee Company having already paid such fees and stamp duty. The fee paid on the authorised share capital of the Transferor Companies shall be utilised and applied to the increased authorised share capital of the Transferee Company as provided in Section 232(3)(i) of the Act. Accordingly, the Authorised Share Capital of the Transferee Company resulting from the amalgamation of the Transferor Companies with the Transferee Company shall be a sum of Rs.7800,15,00,000/- divided into 478,01,50,000 Equity Shares of Rs.10/- each, 20,00,00,000 Preference Shares of Rs.100/- each and 1,02,000 Cumulative Redeemable Preference Shares of Rs.1,00,000 each.

- 4.18 Clause V of the Memorandum of Association of the Transferee Company shall stand altered accordingly and substituted by the following Clause upon the Scheme becoming effective:-

Clause V of Memorandum of Association:

“V. The authorized share capital of the Company is Rs.7800,15,00,000/- (Rupees Seven Thousand Eight Hundred Crores and Fifteen Lakhs) divided into 478,01,50,000 (Four Hundred and Seventy Eight Crores One Lakh Fifty Thousand) Equity Shares of Rs.10/- (Rupees Ten) each, 20,00,00,000 (Twenty Crores) Preference Shares of Rs.100/- (Rupees Hundred) each and 1,02,000 (One Lakh Two Thousand) Cumulative Redeemable Preference Shares of Rs.1,00,000 (One Lakh) each with the rights, privileges and conditions attached thereto with the power to vary, modify or abrogate such rights, privileges and conditions as may be provided by the Articles of Association of the Company for the time being. The Board of Directors shall have the power to classify as and when required the shares as equity or preference shares and attach thereto respectively such preferential, deferred, qualified or special rights, privileges and conditions and also the power to increase or reduce the capital of the Company as may be determined in accordance with the Articles of Association of the Company.”

- 4.19 It is clarified that since the Authorised Share Capital of the Transferee Company shall stand increased and reorganised, as aforesaid, without any further act or deed, consequent to transfer and vesting of all entitlements, rights and powers of the Transferor Companies in the Transferee Company, as an integral part of the amalgamation herein under Sections 230 and 232 of the Act, the Transferee Company shall not be required to seek any consent or approval under Sections 13, 14, 61, 64 or any other provisions of the Act for such increase and reorganisation of Share Capital.

5. LEGAL PROCEEDINGS:

If any suits, actions and proceedings of whatsoever nature (hereinafter called “the Proceedings”) by or against the Transferor Companies are pending on the Appointed Date, the same shall not, subject to the other provisions of this Scheme and the order of the Hon’ble Tribunal sanctioning the same, abate or be discontinued nor be



in any way prejudicially affected by reason of the amalgamation of the Transferor Companies with the Transferee Company or anything contained in the Scheme, but the Proceedings may be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Companies, in the absence of the Scheme. On and from the Effective Date, the Transferee Company may initiate, defend or continue, as the case may be, any legal proceedings for and on behalf of the Transferor Companies. It is clarified that Proceedings against the Transferor Companies which are barred or abate or which cannot be instituted, prosecuted, enforced or continued or do not lie against the Transferor Companies in terms of the aforesaid resolution plan approved by the Hon'ble National Company Law Appellate Tribunal, Section 32A or any other provisions of the Code or any other Law in force, the same shall not be revived, instituted, prosecuted, enforced or continued or lie against the Transferee Company consequent to or by virtue of the foregoing provisions of this Scheme.

6. CONTRACTS AND DEEDS:

Subject to other provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements, engagements and other instruments of whatsoever nature to which the Transferor Companies are parties or to the benefit of which the Transferor Companies may be eligible and which have not lapsed and are subsisting on the Effective Date shall remain in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary thereto. The Transferee Company will, if required, enter into novation agreement(s) in relation to such contracts, deeds, bonds, agreements, arrangements, engagements and other instruments as stated above. Any inter-se contracts between the Transferor Companies and the Transferee Company shall stand cancelled and cease to operate upon the Scheme coming into effect.

7. SAVING OF CONCLUDED TRANSACTIONS:

The transfer and vesting of the Undertakings of the Transferor Companies under Clause 4 above, the continuance of Proceedings by or against the Transferee Company under Clause 5 above and the effectiveness of contracts and deeds under Clause 6 above shall not affect any transaction or proceeding already concluded by the Transferor Companies on or before 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 on behalf of the Transferor Companies as acts, deeds and things done and executed by and on behalf of the Transferee Company.

8. EMPLOYEES:

On and from the Effective Date:

- 8.1 All the employees of the Transferor Companies in service on the Effective Date, if any, shall become the employees of the Transferee Company on the same terms and conditions on which they are engaged by the Transferor Companies without treating it as a break, discontinuance or interruption in service on the said date.



- 8.2 Accordingly, the services of such employees for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Transferor Companies.
- 8.3 Consequent to the amalgamation, the dues of the said employees of the Transferor Companies relating to Provident Fund, Gratuity Fund or any other Fund or Funds ("Funds"), shall continue to be deposited by the Transferee Company in the respective existing Funds where they are deposited by the Transferor Companies immediately before the amalgamation. The Transferee Company shall stand substituted for the Transferor Companies for all purposes whatsoever in relation to the said Funds, including in relation to the obligation to make contributions to the said Funds in accordance with the provisions thereof, to the end and intent that all rights, duties, powers and obligations of the Transferor Companies in relation to such Funds shall become those of the Transferee Company.

9. DISSOLUTION OF THE TRANSFEROR COMPANIES:

The Transferor Companies shall be dissolved without winding up pursuant to the provisions of Section 232 of the Act. It is clarified that the Directors of the Transferor Companies shall consequently cease to hold office as such Directors with effect from the Effective Date.

10. CONDUCT OF BUSINESS OF TRANSFEROR COMPANIES IN TRUST FOR TRANSFEEE COMPANY:

With effect from the Appointed Date and upto the Effective Date:

- i. The Transferor Companies shall carry on and be deemed to have carried on all their business and activities and shall hold and stand possessed of and be deemed to have held and stood possessed of all their assets for and on account of and in trust for the Transferee Company.
- ii. The Transferor Companies shall carry on their businesses and activities with due diligence and business prudence and shall not charge, mortgage, Encumber, alienate or otherwise deal with its assets or any part thereof, nor incur, accept or acknowledge any debt, obligation or any liability or incur any major expenditure, except as is necessary in the ordinary course of its business, without the prior written consent of the Transferee Company.
- iii. All profits or income accruing or arising to the Transferor Companies (including taxes paid thereon) or expenditure or losses arising or incurred by the Transferor Companies on and after the Appointed Date shall, for all purposes, be deemed to have accrued as the profits or income (including taxes paid) or expenditure or losses, as the case may be, of the Transferee Company.



11. CANCELLATION AND NO ISSUE OF SHARES:

Since all the Equity Shares of the Transferor Companies (UNCL, SMIL and MPL) are held inter se by and between the Transferor Companies and the Transferee Company and the Transferee Company, being the holding company, cannot issue or allot any shares to itself, no shares whatsoever shall be issued by the Transferee Company in consideration of the amalgamation. Accordingly, all the Equity Shares of UNCL, SMIL and MPL, investment of SMIL in such Equity Shares of SMIL and MPL as appearing in the books of UNCL and investment of the Transferee Company in such Equity Shares of UNCL as appearing in the books of the Transferee Company shall stand cancelled upon the Scheme becoming effective without issue or allotment of any new shares in lieu of such Equity Shares of the Transferor Companies.

12. DIVIDEND:

The Transferor Companies shall not declare or pay any dividend in respect of the period falling on and after the Appointed Date, without the prior written consent of the Transferee Company. For the removal of doubts, it is declared that nothing in this Scheme shall prevent the Transferee Company from declaring and paying any dividends, whether interim or final, to its equity shareholders.

13. ACCOUNTING:

- 13.1 Upon the Scheme being effective and with effect from Appointed Date, the Transferee Company shall account for the amalgamation of the Transferor Companies into and with the Transferee Company in its books of accounts in compliance with the pooling of interest method prescribed for business combinations of entities under common control in Appendix C of Indian Accounting Standard (Ind AS) 103 notified under Section 133 of the Companies Act, 2013 read with the rules issued thereunder and other generally accepted accounting principles in India in the following manner.
- 13.2 On and from the Appointed Date and subject to the provisions hereof and such other corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company, be required and except to the extent required otherwise by Law, all assets, liabilities and reserves of the Transferor Companies transferred to the Transferee Company under the Scheme shall be recorded in the books of accounts of the Transferee Company at the carrying values of assets, liabilities and reserves pertaining to the Transferor Companies as appearing in the consolidated financial statements of the Transferee Company as at the appointed date.
- 13.3 As a result, investment in the equity of SMIL and MPL as appearing in the books of UNCL and the investment in the equity of UNCL as appearing in the books of UTCL shall stand cancelled. To the extent there are inter-company loans, advances and any other balances whatsoever between the Transferor Companies and Transferee Company, the same shall stand cancelled without any further act or deed, upon the Scheme becoming operative.



- 13.4 In case of any difference in accounting policy between the Transferor Companies and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in the General Reserves of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 13.5 The financial information presented in the financial statements of the Transferee Company in respect of prior periods shall be restated as if the amalgamation had occurred from the beginning of the preceding period in the financial statements irrespective of the Appointed date.

14. APPLICATIONS:

The Transferor Companies shall, with all reasonable dispatch, make necessary applications pursuant to Sections 230 and 232 of the Act to the Hon'ble Tribunal for sanction and carrying out of the Scheme and for consequent dissolution of the Transferor Companies without winding up. The Transferor Companies and the Transferee Company shall also seek such other approvals as may be necessary in Law, if any, for bringing the Scheme into effect and be entitled to take such other steps and proceedings as may be necessary or expedient to give full and formal effect to the provisions of this Scheme. It is hereby clarified that submission of any application by the Transferor Companies and/or the Transferee Company to an Appropriate Authority for any matter pursuant to this Scheme shall be without prejudice to all rights, interests, title, or defences of the applicant(s) in Law.

15. APPROVALS AND MODIFICATIONS:

The Transferor Companies and the Transferee Company (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise) are empowered and authorised:

- i. to assent from time to time to any modifications or amendments or substitutions of the Scheme or of any conditions or limitations which the Hon'ble Tribunal and / or any other authorities under Law may deem fit to approve or direct or which may be considered necessary due to any change in Law or as may be otherwise deemed expedient or necessary by the respective Board of Directors as being in the best interest of the said companies and their shareholders.
- ii. to settle all doubts or difficulties that may arise in carrying out the Scheme, to give their approval to all such matters and things as is contemplated or required to be given by them in terms of this Scheme, including waiving any condition for the Scheme or any part thereof coming into effect, if and to the extent permissible, and to do and execute all other acts, deeds, matters and things necessary, desirable or proper for putting the Scheme into effect, including for carrying out or performing all such formalities or compliances as may be deemed proper and necessary for securing acceptance and recognition of transfer and vesting of properties, rights, powers and obligations of the



Transferor Companies to the Transferee Company under this Scheme by the parties and authorities concerned.

Without prejudice to the generality of the foregoing, the Transferor Companies and the Transferee Company (by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorise) shall each be at liberty to withdraw from this Scheme in case any condition or alteration imposed by any authority is unacceptable to them or as may otherwise be deemed expedient or necessary.

16. SCHEME CONDITIONAL UPON:

16.1 The Scheme is conditional upon and subject to:

- i. Approval of the Scheme by the requisite majority of the members of the Transferor Companies and such other classes of persons, if any, as may be required or directed by the Hon'ble Tribunal;
- ii. Sanction of the Scheme by the Hon'ble Tribunal under Sections 230 and 232 of the Act;
- iii. Certified copies of the aforesaid order of the Hon'ble Tribunal sanctioning the Scheme being filed with the Registrar of Companies, West Bengal by the Transferor Companies and Registrar of Companies, Maharashtra, Mumbai by the Transferee Company; and
- iv. The requisite consent, approval or permission of any Appropriate Authority for the implementation of any part of this Scheme, if and to the extent required from the Appropriate Authority.

16.2 Accordingly, it is provided that the Scheme, although operative from the Appointed Date, shall become effective on the Effective Date, being the date or last of the dates on which all the conditions mentioned above are fulfilled, obtained or waived (if and to the extent permissible).

17. COSTS, CHARGES AND EXPENSES:

All costs, charges and expenses, including stamp duty, if any, in connection with the Scheme, arising out of or incurred in carrying out and implementing the Scheme and matters incidental thereto, shall be borne and paid by the Transferee Company. In the event the Scheme does not take effect or stands withdrawn for any reason whatsoever, each company shall pay and bear their own costs.



18. RESIDUAL PROVISIONS:

- 18.1 On the approval of the Scheme by the members of the Transferor Companies and such other classes of persons, if any, as required or directed by the Hon'ble Tribunal, pursuant to Section 230 of the Act, it shall be deemed that the said members and other classes of persons have also accorded all relevant consents under any other provisions of the Act to the extent the same may be considered applicable.
- 18.2 In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case no rights or liabilities whatsoever shall accrue to or be incurred *inter-se* by the Transferor Companies and Transferee Company or their shareholders or creditors or employees or any other person.

