

SCHEME OF ARRANGEMENT

AMONGST

RELIANCE GAS PIPELINES LIMITED

AND

RELIANCE ETHANE PIPELINE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

A. BACKGROUND OF THE COMPANIES

- (i) **Reliance Gas Pipelines Limited** (Corporate Identification Number: U60300MH1991PLC059678) is a company incorporated under the provisions of the Companies Act, 1956 having its registered office at 13th Floor, Maker Chambers IV, 222 Nariman Point, Mumbai 400 021, Maharashtra (hereinafter referred to as the “**Demerged Company**”). The Demerged Company is, *inter alia*, engaged in the business of providing transportation service through its pipelines, pipeline infrastructure services and trading in ethane. The business of the Demerged Company is bifurcated into upstream business undertaking comprising common carrier pipeline providing transportation service which is integral to the petroleum and natural gas fields and the Downstream Business (*as defined hereinafter*) undertaking.
- (ii) **Reliance Ethane Pipeline Limited** (Corporate Identification Number: U60200GJ2019PLC108724) is a company incorporated under the provisions of the Companies Act, 2013, having its registered office at Office - 101, Saffron, Nr. Centre Point, Panchwati 5 Rasta, Ambawadi, Ahmedabad 380 006, Gujarat (hereinafter referred to as the “**Resulting Company**”). The Resulting Company has been incorporated to carry on the business of storage, transportation, trading of ethane and other related products as well as to provide pipeline infrastructure services. The Resulting Company is a wholly owned subsidiary of the Demerged Company as on the date of approval of the Scheme by the Board of the Parties.

B. RATIONALE OF THE SCHEME

- (i) The Demerged Company has *inter alia* upstream business undertaking and Downstream Business undertaking.
- (ii) With the Dahej-Nagothane pipeline of the Demerged Company becoming operational, the Downstream Business which was incubated in the Demerged Company has attained critical mass. Further growth and expansion of the Downstream Business would require differentiated strategy aligned to industry specific risks, market dynamics and growth trajectory.
- (iii) Thus, with a view to consolidate the Downstream Business of the Demerged Company under the aegis of the Resulting Company, retaining domain focused leadership talent, facilitate business growth through greater levels of empowerment and further strengthen core competencies already built-in, it is proposed to demerge the Downstream Business undertaking from the Demerged Company into the Resulting Company.
- (iv) The demerger of the Downstream Business undertaking from the Demerged Company to the Resulting Company will, *inter alia*, result in the following benefits:
 - (a) segregation and unbundling of the Downstream Business undertaking of the Demerged Company into the Resulting Company will create an entity focusing exclusively on the Downstream Business undertaking and exploring opportunities in the said sector;

- (b) attracting different sets of investors, strategic partners, lenders and other stakeholders having a specific interest in the Downstream Business undertaking; and
- (c) assisting in the de-leveraging of the balance sheet of the Demerged Company including reduction of debt and outflow of interest.
- (v) The demerger will enable the Demerged Company to concentrate its resources on its upstream business undertaking comprising pipeline, integral to the petroleum and natural gas fields, which is a regulated business, leading to better administration and efficiency of operations and the Scheme will optimize the capital structure and profitability for the Demerged Company by way of reduced cost.
- (vi) Upon implementation of demerger of the Demerged Undertaking, the share capital of the Demerged Company shall be in excess of the business requirements in relation to the Remaining Business of Demerged Company. It is therefore proposed to reduce the share capital of Demerged Company, such that the share capital of the Demerged Company is in consonance with the Remaining Business of Demerged Company.

The Scheme is in the best interests of the shareholders, employees and the creditors of the Demerged Company and the Resulting Company.

C. OVERVIEW AND OPERATION OF THE SCHEME

The scheme of arrangement ("**Scheme**") amongst the Demerged Company and the Resulting Company and their respective shareholders is presented under Sections 230 to 232 and other applicable provisions of the Act (*as defined hereinafter*) read with Section 2(19AA) and other applicable provisions of the Income Tax Act (*as defined hereinafter*).

This Scheme provides for the following:

- (i) demerger of the Demerged Undertaking from the Demerged Company and its transfer to and vesting into the Resulting Company on a *going concern* basis and discharge of consideration in lieu thereof; and
- (ii) reduction and reorganization of share capital of the Demerged Company.

D. PARTS OF THE SCHEME

The Scheme is divided into the following parts:

- (i) **PART I** deals with the definitions of capitalized terms used in this Scheme, the details of the share capital of the Demerged Company and the Resulting Company and date of taking effect and implementation of the Scheme;
- (ii) **PART II** deals with the transfer and vesting of the Demerged Undertaking from the Demerged Company as a *going concern* into the Resulting Company and discharge of consideration in lieu thereof, in compliance with Section 2(19AA) of the Income Tax Act;
- (iii) **Part III** deals with the reduction and reorganization of the share capital of the Demerged Company; and

- (iv) **PART IV** deals with the general terms and conditions that would be applicable to this Scheme.

PART I

DEFINITIONS, SHARE CAPITAL AND DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

1. DEFINITIONS

- 1.1 In this Scheme, unless inconsistent with the subject or context thereof (i) capitalised terms defined by inclusion in quotations and/ or parenthesis have the meanings so ascribed; (ii) all terms and words not defined in this Scheme shall have the meaning ascribed to them under the relevant Applicable Laws; and (iii) the following expressions shall have the meanings ascribed hereunder:

“Act” means the Companies Act, 2013, to the extent of the provisions notified, and the Companies Act, 1956, to the extent of its provisions in force;

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

“Appointed Date” means opening business hours of 1 October 2019 or agreed to by the Board of the Parties or such other date as may be approved by the Tribunal ;

“Appropriate Authority” means:

- (a) the government of any jurisdiction (including any central, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunal, central bank, commission or other authority thereof;
- (b) any public international organisation or supranational body and its institutions, departments, agencies and instrumentalities; and
- (c) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing, exporting or other governmental or quasi-governmental authority.

“Board” in relation to the Demerged Company and the Resulting Company, as the case may be, means the board of directors of such company, and shall include a committee of directors or any person authorized by such board of directors or such committee of directors duly constituted and authorized for the purposes of matters pertaining to this Scheme or any other matter relating thereto;

“Demerged Company” means Reliance Gas Pipelines Limited, a company incorporated under the provisions of the Companies Act, 1956, having its registered office at 13th Floor, Maker

Chambers IV, 222 Nariman Point, Mumbai 400 021, Maharashtra and Corporate Identification Number U60300MH1991PLC059678;

“Demerged Undertaking” means all of the Downstream Business undertaking and ancillary and support services together with all business units, undertakings, assets, properties, investments (direct and indirect), and liabilities of whatsoever nature and kind, and wherever situated, of the Demerged Company, in relation to and pertaining to the Downstream Business undertaking and shall include without limitation:

- (a) all assets and liabilities of the Demerged Company pertaining to the Downstream Business undertaking;
- (b) without prejudice to the generality of the provisions of (a) above, the Demerged Undertaking shall include:
 - (i) all properties and assets of the Demerged Company, including all movable or immovable, freehold, leasehold or licensed, tenancy rights, hire purchase and lease arrangements, real or personal, corporeal or incorporeal or otherwise, present, future, contingent, tangible or intangible, plant and machinery, capital work in progress, furniture, fixtures, office equipment, appliances, accessories, vehicles, all stocks, sundry debtors, deposits, provisions, advances, recoverables, receivables, title, interest, cash and bank balances, bills of exchange, covenants, all earnest monies, security deposits, or other entitlements, funds, powers, authorities, licences, registrations, quotas, allotments, consents, privileges, liberties, advantages, easements and all the rights, title, interests, goodwill, benefits, fiscal incentives, entitlement and advantages, contingent rights or benefits belonging to or in the ownership, power, possession or the control of or vested in or granted in favor of or held for the benefit of or enjoyed by the Demerged Company with respect to the Downstream Business undertaking;
 - (ii) all contracts, agreements, schemes, arrangements and any other instruments for the purpose of carrying on the Downstream Business undertaking;
 - (iii) all indirect tax credits, refunds, reimbursements, claims, concessions, exemptions, benefits under Tax Laws including sales tax deferrals, advance taxes, tax deducted at source, right to carry forward and set-off accumulated losses and unabsorbed depreciation (including book losses and book depreciation, if any), if any, goods and service tax credit, deductions and benefits under the Income Tax Act or any other Taxation statute enjoyed by the Demerged Company with respect to the Downstream Business undertaking; and
 - (iv) all debts, borrowings and liabilities, whether present, future or contingent liabilities, whether secured or unsecured, of the Downstream Business undertaking including but not limited to all other debts, duties, obligations and liabilities pertaining to the Downstream Business undertaking whether specifically taken or refinanced or apportioned out of common loan of the Demerged Company for its transfer as a going concern to the Resulting Company.
- (c) all Permits, licences, approvals, registrations, quotas, incentives, powers, authorities,

allotments, consents, rights, benefits, advantages, municipal permissions, including authorisations by Central Government and the Petroleum and Natural Gas Board, pertaining to or relating to the Downstream Business undertaking;

- (d) trademarks, designs, copyrights, patents and other intellectual property rights of the Demerged Company pertaining to its Downstream Business undertaking, whether registered or unregistered and powers of every kind, nature and description whatsoever, whether from the government bodies or otherwise, pertaining to or relating to the Downstream Business undertaking;
- (e) entire experience, credentials, past record and market share of the Demerged Company pertaining to the Downstream Business undertaking;
- (f) all books, records, files, papers, engineering and process information, computer programs, software licenses (whether proprietary or otherwise), drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form in connection with or relating to the Downstream Business undertaking;
- (g) all employees of the Demerged Company relating to the Downstream Business undertaking; and
- (h) all earnest monies, security deposits, or other entitlements, if any, in connection with or relating to the Downstream Business undertaking.

Any question that may arise as to whether a specific asset (tangible or intangible) or liability or employee pertains or does not pertain to the Demerged Undertaking shall be decided mutually by the Boards of the Demerged Company and the Resulting Company.

“Downstream Business” means and includes the Dahej-Nagothane pipeline transporting ethane from Dahej to Nagothane and also includes the business of the Demerged Company in relation to ethane trading and pipeline infrastructure services

“Effective Date” means the last of the dates on which the Scheme is sanctioned by the jurisdictional Tribunal. Reference in this Scheme to the date of **“coming into effect of this Scheme”** or **“effectiveness of this Scheme”** or **“upon the Scheme becoming effective”** shall mean the Effective Date;

“Encumbrance” means (a) 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; (b) 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 (c) any hypothecation, title retention, restriction, power of sale or other preferential arrangement; or (d) any agreement to create any of the above; and the term **“Encumber”** shall be construed accordingly;

“Income Tax Act” means the Income-tax Act, 1961;

“INR” means Indian Rupee, the lawful currency of the Republic of India;

“Parties” means collectively the Demerged Company and the Resulting Company and **“Party”** shall mean each of them, individually;

“Permits” means all consents, licences, permits, certificates, permissions, authorisations, rights, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, whether governmental, statutory, regulatory or otherwise as required under Applicable Law;

“Person” means an individual, a partnership, a corporation, a body corporate, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;

“Remaining Business” means all the business, units, divisions, undertakings, and assets and liabilities of the Demerged Company other than the Demerged Undertaking;

“Resulting Company” means Reliance Ethane Pipeline Limited, a company incorporated under the provisions of the Companies Act, 2013, having its registered office at Office - 101, Saffron, Nr. Centre Point, Panchwati 5 Rasta, Ambawadi, Ahmedabad 380 006, Gujarat and Corporate Identification Number U60200GJ2019PLC108724;

“RoC” means the Registrar of Companies having jurisdiction over the Demerged Company and the Resulting Company, as the case may be;

“Scheme” or **“this Scheme”** means this scheme of arrangement as modified from time to time;

“Taxation” or **“Tax”** or **“Taxes”** means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and service 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, dividend distribution tax, advance tax, minimum alternate tax, goods and service tax or otherwise or attributable directly or primarily to the Demerged Company and the Resulting Company, as the case may be, or any other Person and all penalties, charges, costs and interest relating thereto;

“Tax Laws” means all Applicable Laws dealing with Taxes including but not limited to income-tax, wealth tax, sales tax / value added tax, service tax, goods and service tax, excise duty, customs duty or any other levy of similar nature; and

“Tribunal” means the relevant bench of the National Company Law Tribunal having jurisdiction over the Demerged Company and the Resulting Company, respectively.

1.2 In this Scheme, unless the context otherwise requires:

1.2.1 words denoting the singular shall include the plural and *vice versa* and words denoting any gender shall include all genders;

1.2.2 headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information and convenience only and shall not form part of the operative provisions of this Scheme and shall be ignored in construing the same;

1.2.3 the words “include” and “including” are to be construed without limitation;

1.2.4 reference to a clause, paragraph or schedule is a reference to a clause, paragraph or schedule of this Scheme;

1.2.5 reference to any Law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement, re-enactment, restatement or amendment of, that law or legislation or regulation and shall include the rules and regulations thereunder; and

1.2.6 references to days, months and years are to calendar days, calendar months and calendar years, respectively.

2. SHARE CAPITAL

2.1 The share capital structure of the Demerged Company as on 30 June 2019 is as follows:

Particulars	INR
Authorised Share Capital	
50,00,00,000 equity shares of INR 10 each	500,00,00,000
100,00,00,000 preference shares of INR 10 each	1000,00,00,000
Total	1500,00,00,000
Issued, Subscribed and Paid-up Share Capital	
37,30,00,000 equity shares of INR 10 each	373,00,00,000
36,76,50,000 6% non-cumulative optionally convertible preference shares of INR 10 each	367,65,00,000
Total	740,65,00,000

2.2 The share capital structure of the Resulting Company as on 30 June 2019 is as follows:

Particulars	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	
10,000 equity shares of INR 10 each	1,00,000
Total	1,00,000

3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

3.1 This Scheme in its present form or with any modification(s), as may be approved or imposed or directed by the Tribunal or made as per Clause 18 of this Scheme, shall become effective from the Appointed Date but shall be operative from the Effective Date.

PART II

DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING

4. DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING

4.1 Upon this Scheme becoming effective and with effect from the Appointed Date and subject to the provisions of this Scheme and pursuant to Sections 230 to 232 of the Act, and in accordance with Section 2(19AA) of the Income Tax Act, the Demerged Undertaking along with all its assets, liabilities, contracts, arrangements, employees, Permits, records etc. shall, without any further act, instrument or deed, be demerged from the Demerged Company and transferred to and be vested in or be deemed to have been transferred to and vested in the Resulting Company as a going concern so as to become as on and from the Appointed Date,

the assets, liabilities, contracts, arrangements, employees, Permits, records etc. of the Resulting Company by virtue of operation of law and in the manner provided in this Scheme.

- 4.2 In respect of such of the assets and properties forming part of the Demerged Undertaking which are movable in nature (including but not limited to all intangible assets) or are otherwise capable of transfer by delivery or possession or by endorsement, the same shall stand transferred by the Demerged Company to the Resulting Company upon coming into effect of this Scheme and shall, *ipso facto* and without any other order to this effect, become the assets and properties of the Resulting Company without requiring any deed or instrument of conveyance for transfer of the same.
- 4.3 Subject to Clause 4.4 below, with respect to the assets of the Demerged Undertaking other than those referred to in Clause 4.2 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, 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 any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Demerged Company, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company, with effect from the Appointed Date by operation of law as transmission in favour of Resulting Company. With regard to the licenses of the properties, the Resulting Company will enter into novation agreements, if it is so required.
- 4.4 In respect of such of the assets and properties forming part of the Demerged Undertaking which are immovable in nature, whether or not included in the books of the Demerged Company, including rights, interest and easements in relation thereto, the same shall stand transferred to and be vested in the Resulting Company with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Demerged Company and/or the Resulting Company.
- 4.5 For the avoidance of doubt and without prejudice to the generality of Clause 4.4 above, it is clarified that, with respect to the immovable properties comprised in the Demerged Undertaking in the nature of land and buildings, the Parties may register the true copy of the orders of the Tribunal approving the Scheme with the offices of the relevant Sub-registrar of Assurances or similar registering authority having jurisdiction over the location of such immovable property and may also execute and register, as required, such other documents as may be necessary in this regard. For the avoidance of doubt, it is clarified that any document executed pursuant to this Clause 4.5 will be for the limited purpose of meeting regulatory requirements and shall not be deemed to be a document under which the transfer of any part of the Demerged Undertaking takes place and the Demerged Undertaking shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning this Scheme.
- 4.6 The Demerged Company may, at its sole discretion but without being obliged to, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, debenture or deposit relating to the Demerged Undertaking stands transferred to and vested in the Resulting Company and that appropriate modification should be made in their respective books/records to reflect the aforesaid changes.
- 4.7 Upon effectiveness of the Scheme, all debts, liabilities, debentures, loans, obligations and

duties of the Demerged Company as on the Appointed Date and relating to the Demerged Undertaking (“**Demerged Liabilities**”) shall, without any further act, instrument or deed, be and stand transferred to and be deemed to be transferred to the Resulting Company to the extent that they are outstanding as on the Appointed Date and the Resulting Company shall meet, discharge and satisfy the same. The term “**Demerged Liabilities**” shall include without limitation:

- 4.7.1 the debts, liabilities, debentures and obligations incurred and duties of any kind, nature or description (including contingent liabilities) which arise out of the activities or operations of the Demerged Undertaking;
- 4.7.2 the specific loans, credit facilities, overdraft facilities and borrowings (including debentures, bonds, notes and other debt securities) raised, incurred and utilized solely for the activities or operations of the Demerged Undertaking; and
- 4.7.3 in cases other than those referred to in Clause 4.7.1 or 4.7.2 above, so much of the amounts of general or multipurpose borrowings, if any, of the Demerged Company, as stand in the same proportion which the value of the assets transferred pursuant to the demerger of the Demerged Undertaking bear to the total value of the assets of the Demerged Company immediately prior to the Appointed Date.

In so far as indirect tax liabilities are concerned, in particular, any liability with respect to the goods and service tax, value added tax, purchase tax, sales tax or any other duty or tax in relation to the Demerged Undertaking and pertaining to the period prior to the Appointed Date, including all or any liability pertaining to the period prior to the Appointed Date, shall be treated as liability of the Resulting Company, to the extent permissible under Applicable Law.

- 4.8 In so far as any Encumbrance in respect of Demerged Liabilities is concerned, such Encumbrance shall, without any further act, instrument or deed being required to be taken or modified, be extended to and shall operate only over the assets comprised in the Demerged Undertaking which have been encumbered in respect of the Demerged Liabilities as transferred to the Resulting Company pursuant to the Scheme. Provided that, if any of the assets comprised in the Demerged Undertaking which are being transferred to the Resulting Company pursuant to this Scheme have not been encumbered in respect of the Demerged Liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Business are concerned, the Encumbrance, if any, over such assets relating to the Demerged Liabilities shall without any further act, instrument or deed being required, be released and the Demerged Company shall be discharged from the obligations and Encumbrances relating to the same. Further, in so far as the assets comprised in the Demerged Undertaking are concerned, the Encumbrance over such assets relating to any loans, borrowings or other debts which are not transferred to the Resulting Company pursuant to this Scheme and which continue with the Demerged Company shall without any further act, instrument or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities.
- 4.9 If the Demerged Company is entitled to any accumulated losses and unabsorbed depreciation goods and service tax credits, any other indirect tax credits, benefits under the state or central fiscal / investment incentive schemes and policies or concessions relating to the Demerged

Undertaking under any Tax Law or Applicable Law, the Resulting Company shall be entitled, as an integral part of the Scheme, to claim such benefit or incentives or unutilised indirect tax credits as the case may be without any specific approval or permission. Without prejudice to the generality of the foregoing, in respect of unutilized input credits of goods and service tax of the Demerged Company, the portion which will be attributed to the Demerged Undertaking and be transferred to the Resulting Company shall be determined by the Board of the Demerged Company in accordance with the Applicable Law.

- 4.10 Upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall have the right to revise their respective financial statements and returns, even beyond the due date, if required, along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme.
- 4.11 Subject to Clause 4 and any other provisions of the Scheme, in respect of any refund, benefit, incentive, grant or subsidy in relation to or in connection with the Demerged Undertaking, the Demerged Company shall, if so required by the Resulting Company, issue notices in such form as the Resulting Company may deem fit and proper, stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of the Resulting Company, as the Person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands transferred to the Resulting Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 4.12 On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Demerged Company and are in relation to or in connection with the Demerged Undertaking, shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company, if presented by the Resulting Company.
- 4.13 Without prejudice to the provisions of the foregoing sub-clauses of this Clause 4 and upon the effectiveness of this Scheme, the Demerged Company and the Resulting Company may execute any and all instruments or documents and do all acts, deeds and things as may be required, including filing of necessary particulars and/ or modification(s) of charge with the concerned RoC or filing of necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme.

5. PERMITS

- 5.1 With effect from the Appointed Date, the Permits relating to the Demerged Undertaking shall be transferred to and vested in the Resulting Company and the concerned licensor and grantors of such Permits shall endorse where necessary and record the name of Resulting Company on such Permits so as to empower and facilitate the approval and vesting of the Demerged Undertaking in the Resulting Company and continuation of operations pertaining to the Demerged Undertaking in the Resulting Company without any hindrance and the Permits shall stand transferred to and vested in, and shall be deemed to be transferred to and vested in the Resulting Company without any further act, instrument or deed and shall be appropriately mutated by the Appropriate Authorities concerned therewith in favour of the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company and the Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits thereunder shall be available to the Resulting Company.

- 5.2 The benefit of all Permits pertaining to the Demerged Undertaking shall, without any other order to this effect, transfer to and vest in and become available to the Resulting Company pursuant to the sanction of this Scheme by the Tribunal.
- 5.3 Notwithstanding the generality of the foregoing provisions, all electricity, gas, water and other utility connections and tariff rates in respect thereof sanctioned by various public sector and private companies, boards, agencies and authorities in different states pertaining to the Demerged Undertaking, together with security deposits and all other advances paid, shall stand automatically transferred in favour of the Resulting Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed.

6. CONTRACTS

- 6.1 All contracts, deeds, bonds, agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, rights, entitlements, licenses for the purpose of carrying on the business of the Demerged Undertaking and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Demerged Undertaking, or to the benefit of which the Demerged Company may be eligible and which are subsisting or having effect immediately before this Scheme coming into effect, shall by endorsement, by delivery or recordal or by operation of law pursuant to the order of the Tribunal sanctioning the Scheme, and on this Scheme becoming effective be deemed to be contracts, deeds, bonds, agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, rights, entitlements and licenses (including licenses granted by any Appropriate Authority) of the Resulting Company. Such properties and rights described hereinabove shall stand vested in the Resulting Company and shall be deemed to be the property and become the property by operation of law as an integral part of the Resulting Company. Such contracts and properties described above shall continue to be in full force and continue as effective as hitherto in favour of or against the Resulting Company and shall be the legal and enforceable rights and interests of the Resulting Company, which can be enforced and acted upon as fully and effectually as if it were the Demerged Company. Upon this Scheme becoming effective, the rights, benefits, privileges, duties, liabilities, obligations and interest whatsoever, arising from or pertaining to contracts and properties relating to the Demerged Undertaking, shall be deemed to have been entered into and stand assigned, vested and novated to the Resulting Company by operation of law and the Resulting Company shall be deemed to be the Demerged Company's substituted party or beneficiary or obligor thereto, it being always understood that the Resulting Company shall be the successor in interest of the Demerged Company in relation to the properties or rights mentioned hereinabove.
- 6.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Demerged Undertaking occurs by virtue of this Scheme, the Resulting Company may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, 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 Demerged Company is a party or any writings as may be necessary in order to give effect to the provisions of this Scheme. With effect from the Appointed Date, the Resulting Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above, on the part of the Demerged Company with respect to Demerged

Undertaking.

- 6.3 On and from the Effective Date, and thereafter, the Resulting Company shall be entitled to enforce all pending contracts and transactions and issue debit and/or credit notes on behalf of the Demerged Company, in relation to or in connection with the Demerged Undertaking, in the name of the Resulting Company in so far as it may be necessary until the transfer of rights and obligations of the Demerged Undertaking to the Resulting Company under this Scheme have been given effect to under such contracts and transactions.

7. EMPLOYEES

- 7.1 With effect from the Effective Date, the Resulting Company undertakes to engage, without any interruption in service, all employees of the Demerged Company engaged in or in relation to the Demerged Undertaking, on terms and conditions no less favourable than those on which they are engaged by the Demerged Company. The Resulting Company undertakes to continue to abide by any agreement/ settlement or arrangement entered into or deemed to have been entered into by the Demerged Company with any of the aforesaid employees or union representing them. The Resulting Company agrees that the services of all such employees with the Demerged Company prior to the demerger shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits.
- 7.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, as the case may be, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Resulting Company and/or such new provident fund, gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities, by the Resulting Company.

8. LEGAL PROCEEDINGS

- 8.1 Upon coming into effect of this Scheme, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands and legal proceedings of whatsoever nature (except proceedings with respect to Income Tax Act) by or against the Demerged Company pending and/or arising on or before the Appointed Date or which may be instituted any time thereafter and in each case relating to the Demerged Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme but shall be continued and be enforced by or against the Resulting Company with effect from the Appointed Date in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. Except as otherwise provided herein, the Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings that stand transferred to the Resulting Company. The Resulting Company shall be substituted in place of the Demerged Company or added as party to such proceedings and shall prosecute or defend such proceedings at its own cost, in cooperation with the Demerged Company and the liability of the Demerged Company shall consequently stand nullified. The Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings in relation to the Demerged Undertaking.
- 8.2 The Resulting Company undertakes to have all legal and other proceedings (except proceedings with respect to Income Tax Act) initiated by or against the Demerged Company

referred to in Clause 8.1 above transferred to its name as soon as is reasonably practicable after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company on priority. Both the concerned Parties shall make relevant applications and take all steps as may be required in this regard.

- 8.3 Notwithstanding anything contained hereinabove, if at any time after the Effective Date, the Demerged Company is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority (except proceedings with respect to Income Tax Act), in each case in relation to the Demerged Undertaking, the Demerged Company shall, in view of the transfer and vesting of the Demerged Undertaking pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to replace the Demerged Company with the Resulting Company. However, if the Demerged Company is unable to get the Resulting Company replaced in such proceedings, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Company and at the cost of the Resulting Company and the latter shall reimburse to the Demerged Company all liabilities and obligations incurred by the Demerged Company in respect thereof.
- 8.4 This Scheme complies with the definition of “demerger” as per Sections 2(19AA) and other provisions of the Income Tax Act. If any terms of this Scheme are found to be or interpreted to be inconsistent with provisions of the Income Tax Act, then this Scheme shall stand modified to be in compliance with Section 2(19AA) of the Income Tax Act.

9. CONSIDERATION

- 9.1 Upon the Scheme coming into effect and in consideration of the demerger of the Demerged Undertaking and subject to the provisions of this Scheme, the Resulting Company shall, without any further application, act, deed, consent or instrument, issue and allot to the equity and preference shareholder(s) of the Demerged Company, whose name is recorded in the register of members and/ or records of the depository on the Effective Date, as under:

“5,00,00,000 (Five Crore) fully paid up equity shares of INR 10 (Indian Rupees Ten) of the Resulting Company; and

18,55,00,000 (Eighteen Crore Fifty Five Lakh) fully paid up preference shares of INR 10 (Indian Rupees Ten) of the Resulting Company”

The equity and preference shares to be issued pursuant to this Clause will be together referred to as “**New Shares.**”

- 9.2 The New Shares shall be subject to the provisions of the memorandum of association and articles of association of the Resulting Company, including with respect to dividend, bonus, rights shares, voting rights and other corporate benefits attached to the New Shares.
- 9.3 The issue and allotment of the New Shares is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Resulting Company or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law as may be applicable, were duly complied with. It is clarified that the approval of the members of the Resulting Company to this Scheme, shall be deemed to be their consent/approval for the issue and allotment of the New Shares.

- 9.4 In case any shareholder's shareholding in the Demerged Company is such that such shareholder becomes entitled to a fraction of the New Share of the Resulting Company, the Resulting Company shall round the same up to the next whole number.
- 9.5 In the event the Parties restructure their share capital by way of share split/consolidation/issue of bonus shares during the pendency of the Scheme, the share allotment ratio set out in Clause 9.1 shall be adjusted accordingly to consider the effect of such corporate action without requirement of any further approval from the Appropriate Authority.
- 9.6 It is clarified that the approval of the members of the Resulting Company to this Scheme shall be deemed to be their consent/ approval also to the consequential alteration of its memorandum of association and articles of association pursuant to Clause 9 of this Scheme and the Resulting Company shall not be required to seek separate consent/ approval of its shareholders for such alteration, as required under Sections 13, 14, 42, 61, 64, and other applicable provisions of the Act.
- 9.7 The Resulting Company shall, to the extent required, increase and/ or reclassify its authorized share capital in order to issue New Shares. Further, the Resulting Company shall comply with the provisions of the Act to increase and/ or reclassify its authorized share capital.

10. ACCOUNTING TREATMENT

The Demerged Company and Resulting Company shall comply with generally accepted accounting practices in India, provisions of the Act and accounting standards as notified by Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following:

10.1 In the books of the Demerged Company:

Upon Part II of the Scheme coming into effect, the Demerged Company shall account for the demerger in its books of account in the following manner:

10.1.1 With effect from the Appointed Date and upon the Scheme becoming effective, the book value of assets and liabilities of the Demerged Undertaking as appearing in the books of Demerged Company and being transferred to the Resulting Company shall be reduced from the corresponding balances of the assets and liabilities as reflecting in the books of the Demerged Company; and

10.1.2 Difference between the values of assets and liabilities transferred pursuant to the Scheme, shall be debited/ credited to other equity of the Demerged Company.

10.2 In the books of the Resulting Company:

Upon Part II of the Scheme coming into effect, the Resulting Company shall account for the demerger in its books of account in the following manner:

10.2.1 With effect from the Appointed Date and upon the Scheme becoming effective, the Resulting Company shall record all assets and liabilities of the Demerged Undertaking transferred to it in pursuance of this Scheme at their respective book values appearing in the books of the Demerged Company;

10.2.2 Resulting Company shall respectively credit its share capital account and the securities premium account (if any) with the aggregate face value of New Shares of the Resulting Company issued by it to the shareholders of the Demerged Company and the aggregate of the securities premium (if any) thereon; and

10.2.3 Difference between the book value of assets and book value of liabilities so recorded in the books of Resulting Company, as reduced by the aggregate of the face value and securities premium of New Shares of the Resulting Company issued by it to the shareholders of Demerged Company, if any, shall be debited/ credited to the capital reserves account of the Resulting Company.

11. REDUCTION AND CANCELLATION OF EQUITY SHARE CAPITAL OF THE RESULTING COMPANY

11.1 With effect from the Effective Date and upon allotment of New Shares of the Resulting Company, the entire paid up equity share capital of the Resulting Company, as on Effective Date, held by the Demerged Company ("**Resulting Company Cancelled Shares**") shall stand cancelled and the paid up equity capital of the Resulting Company to that effect shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company, pursuant to Sections 230 to 232 of the Act.

11.2 The reduction of the share capital of the Resulting Company shall be effected as an integral part of this Scheme itself.

11.3 On effecting the reduction of the share capital as stated in Clause 11.1 above, the share certificates in respect of the Resulting Company Cancelled Shares held by their respective holders shall also be deemed to have been cancelled.

11.4 On the Effective Date, the Resulting Company shall debit its share capital account in its books of account with the aggregate face value of the Resulting Company Cancelled Shares.

11.5 The capital reserve in the books of the Resulting Company shall be increased to the extent of the amount of the Resulting Company Cancelled Shares.

11.6 Notwithstanding the reduction in the equity share capital of the Resulting Company, the Resulting Company shall not be required to add "And Reduced" as suffix to its name.

PART III

REDUCTION AND REORGANIZATION OF EQUITY SHARE CAPITAL AND PREFERENCE SHARE CAPITAL OF DEMERGED COMPANY

12. REDUCTION AND REORGANIZATION OF EQUITY SHARE CAPITAL AND PREFERENCE SHARE CAPITAL OF DEMERGED COMPANY

12.1 With effect from the Effective Date, the equity share capital of the Demerged Company shall stand reduced, without any consideration, by reducing the face value of the equity shares of the Demerged Company as on the Effective Date from INR 10 to INR 7.

12.2 With effect from the Effective Date, the preference share capital of the Demerged Company shall stand reduced, without any consideration, by reducing the face value of the preference shares of the Demerged Company as on the Effective Date from INR 10 to INR 7.

12.3 The Demerged Company shall undertake such corporate actions, as may be required, in order

to give effect to Clauses 12.1 and 12.2 above.

- 12.4 The reduction of the share capital of the Demerged Company shall be effected as an integral part of this Scheme itself.
- 12.5 The Demerged Company shall debit its equity share capital account in its books of account with the aggregate of INR 3 multiplied by the equity shares held by the members of the Demerged Company. Other equity in the books of the Demerged Company shall be increased by aggregate of INR 3 multiplied by the equity shares held by the members of Demerged Company.
- 12.6 The Demerged Company shall debit its preference share capital account in its books of account with the aggregate of INR 3 multiplied by the preference shares held by the members of the Demerged Company. Other equity in the books of the Demerged Company shall be increased by aggregate of INR 3 multiplied by the preference shares held by the members of Demerged Company.
- 12.7 The debit balance of profit and loss account of the Demerged Company shall be set off against the credit balance of other equity, if any, after giving effect to the Clauses 12.5 and 12.6 above.
- 12.8 Notwithstanding the reduction in the equity share capital and the preference share capital of the Demerged Company, the Demerged Company shall not be required to add "And Reduced" as suffix to its name.
- 12.9 Upon Part III of the Scheme becoming effective, Clause V of the memorandum of association of the Demerged Company shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 14, 61, 64, and other applicable provisions of the Act for giving effect of the reduction of face value of shares as mentioned in Clause 12.1 and 12.2 above and the consent of the shareholders of the Demerged Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed to that extent.
- 12.10 Upon Part III of the Scheme becoming effective, the terms of redemption of preference shares of the Demerged Company shall be modified such that the redemption value of such preference shares shall be INR 7 per preference share. Such terms shall be varied without any act, instrument or deed pursuant to Section 48 and other applicable provisions of the Act and the consent of the shareholders of the Demerged Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed to that extent.
- 12.11 It is clarified that the approval of the members of the Demerged Company to the Scheme shall be deemed to be their consent/ approval also to the alteration of the memorandum and articles of association of the Demerged Company as may be required under the Act.

PART IV

GENERAL TERMS & CONDITIONS

13. REMAINING BUSINESS

- 13.1 The Remaining Business and all the assets, investments, liabilities and obligations of the

Demerged Company pertaining to the Remaining Business, shall continue to belong to and be vested in and be managed by the Demerged Company. With effect from the Effective Date, only the Demerged Company shall be liable to perform and discharge all liabilities and obligations in relation to the Remaining Business and the Resulting Company shall not have any liability or obligation in relation to the Remaining Business.

- 13.2 All legal, Tax and/or other proceedings by or against the Demerged Company under any statute, whether pending on the Effective Date or which may be instituted at any time thereafter, and relating to the Remaining Business of the Demerged Company (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business) shall be continued and enforced against the Demerged Company. The Resulting Company shall in no event be responsible or liable in relation to any such legal, Tax or other proceedings in relation to the Remaining Business.
- 13.3 If the Resulting Company is in receipt of any demand, claim, notice and/or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Remaining Business, the Resulting Company shall, in view of the transfer and vesting of the Demerged Undertaking, pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to substitute the Resulting Company with the Demerged Company. However, if the Resulting Company is unable to get the Demerged Company so replaced in such proceedings, it shall defend the same or deal with such demand in accordance with the advice of the Demerged Company and at the cost of the Demerged Company and the latter shall reimburse the Resulting Company against all liabilities and obligations incurred by or against the Resulting Company in respect thereof.

14. BUSINESS UNTIL EFFECTIVE DATE

- 14.1 With effect from the date of approval of the Scheme by the respective Boards of the Parties and up to and including the Effective Date:
- 14.1.1 The Demerged Company shall, with respect to the Demerged Undertaking, carry on the business in the same manner as the Demerged Company had been doing hitherto; and
- 14.1.2 The Resulting Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which the Resulting Company may respectively require to carry on the relevant business of the Demerged Company and to give effect to the Scheme.
- 14.2 The Demerged Company with effect from the Appointed Date and up to and including the Effective Date:
- 14.2.1 shall be deemed to have been carrying on and shall carry on its business and activities in relation to the Demerged Undertaking and shall be deemed to have held and stood possessed of the Demerged Undertaking and shall hold and stand possessed of the assets of the Demerged Undertaking for and on account of, and in trust for the Resulting Company;
- 14.2.2 all profits or income arising or accruing to the Demerged Company in relation to the Demerged Undertaking and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, dividend distribution tax,

securities transaction tax, taxes withheld/paid in a foreign country, etc.) or losses arising or incurred by the Demerged Company shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses of the Resulting Company; and

- 14.2.3 all loans raised and all liabilities and obligations incurred by the Demerged Company after the Appointed Date and prior to the Effective Date in relation to the Demerged Undertaking, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Resulting Company, in which the Demerged Undertaking shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also, without any further act, instrument or deed be and be deemed to become the debts, liabilities, duties and obligations of the Resulting Company.
- 14.3 For the purpose of giving effect to the order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Tribunal, the Resulting Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the demerger of the Demerged Undertaking, in accordance with the provisions of Sections 230 to 232 of the Act. The Resulting Company shall always be deemed to have been authorized to execute any pleadings, applications, forms etc., as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme. For the purpose of giving effect to the vesting order passed under Section 232 of the Act in respect of this Scheme, the Resulting Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfil all obligations in relation to or applicable to all immovable properties including mutation and/or substitution of the ownership or the title to or interest in the immovable properties which shall be made and duly recorded by the Appropriate Authorities in favour of the Resulting Company, pursuant to the sanction of this Scheme by the Tribunal and upon the effectiveness of this Scheme in accordance with the terms hereof, without any further act or deed to be done or executed by the Resulting Company. It is clarified that the Resulting Company shall be entitled to engage in such correspondence and make such representations, as may be necessary, for the purposes of the aforesaid mutation and/or substitution.

15. PROPERTY IN TRUST

- 15.1 Notwithstanding anything contained in this Scheme, on or after Effective Date, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom pertaining to the Demerged Undertaking are transferred, vested, recorded, effected and/ or perfected, in the records of any Appropriate Authority, regulatory bodies or otherwise, in favour of the Resulting Company, the Resulting Company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authorities and till such time as may be mutually agreed by the relevant Parties, the Demerged Company will continue to hold the property and/or the asset, license, permission, approval, contract or agreement and rights and benefits arising therefrom, as the case may be, in trust for and on behalf of the Resulting Company.

16. FACILITATION PROVISIONS

- 16.1 Immediately upon the Scheme being effective, the Parties shall enter into agreements as may be necessary, *inter alia*, in relation to use by the Parties of office space, infrastructure facilities, information technology services, security personnel, legal, administrative and other services, etc. on such terms and conditions that may be mutually agreed between them.
- 16.2 Prior to implementing the Scheme, the Demerged Company, if it so desires, may reclassify and measure at fair value, all or any of its assets and liabilities, pertaining to the Demerged Undertaking and/ or the Remaining Business of the Demerged Company, and adjust the difference, if any, between the book value and the fair value to its retained earnings (or another category of equity, as appropriate). The same treatment also will be extended to consolidated accounts.
- 16.3 It is clarified that the approval of this Scheme by the shareholders of the Parties under Sections 230 to 232 of the Act shall be deemed to have their approval under Section 188 and any other applicable provisions of the Act and that no separate approval from the shareholders to that extent will be required to be sought by any of the Parties.
- 16.4 It is hereby clarified that submission of this Scheme to the Tribunal and to the Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, titles or defenses that the Parties may have under or pursuant to all Applicable Laws.
- 16.5 On the approval of this Scheme by the shareholders of the Parties and such other classes of Persons, such shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the demerger and reduction of share capital set out in this Scheme, related matters and this Scheme itself.

17. APPLICATIONS/PETITIONS TO THE TRIBUNAL

- 17.1 The Parties shall dispatch, make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, under whose jurisdiction the registered offices of the respective Parties are situated, for sanction of this Scheme under the provisions of Applicable Law and shall apply for such approvals as may be required under Applicable Law.
- 17.2 The Parties shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law for such consents and approvals which the Parties may require to own the assets and/or liabilities of the respective undertakings and to carry on the business of the respective undertakings.

18. MODIFICATION OR AMENDMENTS TO THIS SCHEME

- 18.1 On behalf of each of the Parties, the Board of the respective Parties acting themselves or through authorized Persons, may consent jointly but not individually, on behalf of all Persons concerned, to any modifications or amendments to this Scheme at any time and for any reason whatsoever, or to any conditions or limitations that the Tribunal or any other Appropriate Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by all of them (i.e., the Boards of the Parties) and solve all difficulties that may arise for carrying out this Scheme and do all acts, deeds and things necessary for putting this Scheme into effect.

18.2 For the purposes of giving effect to this Scheme or to any modification hereof, the Boards of the Parties acting themselves or through authorized Persons may jointly but not individually, give and are jointly authorised to give such directions including directions for settling any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all Parties, in the same manner as if the same were specifically incorporated in this Scheme.

19. NON-RECEIPT OF APPROVALS AND REVOCATION/WITHDRAWAL OF THIS SCHEME

19.1 The Parties acting jointly through their respective Boards shall each be at liberty to withdraw from this Scheme.

19.2 In the event the Scheme not being sanctioned by the Tribunal, and/or the order or orders not being passed as aforesaid on or before such date as may be agreed to by the Parties, this Scheme shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and/or in connection with this Scheme.

19.3 In the event of revocation/withdrawal of the Scheme under Clause 19.1 or Clause 19.2 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Demerged Company and the Resulting Company or their respective shareholders or creditors or employees or any other Person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with Applicable Law and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

20. COSTS AND EXPENSES

20.1 All costs, charges and expenses payable in relation to or in connection with this Scheme and incidental to the completion of the transfer and vesting of the Demerged Undertaking of the Demerged Company in the Resulting Company pursuant to this Scheme including stamp duty on the order(s) of the Tribunal, if any, to the extent applicable and payable shall be borne and paid by the Resulting Company.

21. SAVING OF CONCLUDED TRANSACTIONS

21.1 Nothing in this Scheme shall affect any transaction or proceedings already concluded or liabilities incurred by the Demerged Company in relation to the Demerged Undertaking until the Appointed Date, to the end and intent that the Resulting Company shall accept and adopt all acts, deeds and things done and executed by the Demerged Company in respect thereto as done and executed on behalf of the Resulting Company.