

## SCHEME OF AMALGAMATION

*of*

**ORIENT CEMENT LIMITED**  
(*Transferor Company*)

*with*

**AMBUJA CEMENTS LIMITED**  
(*Transferee Company*)

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

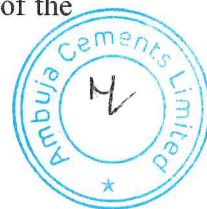
### PREAMBLE

This Scheme (*as defined hereinafter*), *inter alia*, provides for the amalgamation of the Transferor Company (*as defined hereinafter*) with and into the Transferee Company (*as defined hereinafter*) by way of a merger by absorption on a going concern basis, with effect from the Appointed Date (*as defined hereinafter*), and the consequent dissolution of the Transferor Company without being wound up, and the issuance of New Equity Shares (*as defined hereinafter*) to the equity shareholders of the Transferor Company in accordance with the Share Exchange Ratio (*as defined hereinafter*), pursuant to the provisions of Sections 230 – 232 and/or other applicable provisions of the Act (*as defined hereinafter*), SEBI Schemes Master Circular (*as defined hereinafter*) and in accordance with Section 2(1B) of the Income Tax Act (*as defined hereinafter*).

### INTRODUCTION

- (i) The Transferor Company (*as defined hereinafter*) was incorporated on July 22, 2011, as Orient Cement Limited, a public limited company, with the Registrar of Companies, Orissa, under the provisions of the Companies Act, 1956. The Corporate Identification Number of the Transferor Company is L26940OR2011PLC013933.

The registered office of the Transferor Company is presently situated at Unit VIII, Plot No. 7, Bhoinagar, Bhubaneswar, Odisha - 751 012. The equity shareholders of the Transferor Company through postal ballot dated June 28, 2025, approved shifting of the registered office of the Transferor Company from the State of Odisha to the State of Gujarat. An application for shifting of the registered office of the



Transferor Company from the State of Odisha to the State of Gujarat was filed by the Transferor Company with the Regional Director, Eastern Region on September 30, 2025. The Regional Director (Eastern Region) approved the shifting of the registered office to the State of Gujarat *vide* order dated December 18, 2025 which was received by the Transferor Company on December 19, 2025, and the registered office of the Transferor Company would be situated at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India.

The Transferor Company is engaged in the business of manufacturing and selling of cement and cement related products.

Pursuant to the share purchase agreements dated October 22, 2024 between, *inter alia*, the Transferee Company and the erstwhile promoter/promoter group of the Transferor Company and certain other shareholders, the Transferee Company on April 22, 2025 acquired an aggregate of 46.66% of the paid-up equity share capital of the Transferor Company from the erstwhile promoters/promoter group and certain public shareholders of the Transferor Company. The Transferee Company further acquired 26.00% equity shares of the Transferor Company on June 18, 2025 pursuant to an open offer made to the eligible public shareholders of the Transferor Company under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

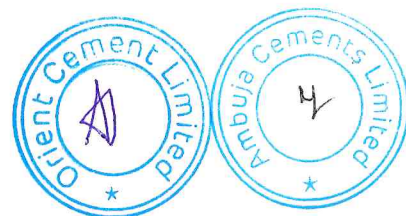
Pursuant to the above transaction, the Transferor Company is now a subsidiary of the Transferee Company (*as defined hereinafter*). The Transferee Company, as on November 30, 2025, was holding 72.66% of the paid-up equity share capital of the Transferor Company. The equity shares of the Transferor Company are listed on the Stock Exchanges (*as defined hereinafter*).

- (ii) The Transferee Company was incorporated on October 20, 1981, as Ambuja Cements Private Limited, a private limited company, with the Registrar of Companies, Gujarat, under the provisions of the Companies Act, 1956. Its name was changed to (a) Ambuja Cements Limited on March 19, 1983; (b) Gujarat Ambuja Cements Limited on May 19, 1983; and (c) Ambuja Cements Limited on April 5, 2007. The Corporate Identification Number of the Transferee Company is L26942GJ1981PLC004717.

The registered office of the Transferee Company is situated at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad, Gujarat – 382 421, India.

The Transferee Company is among the leading cement companies in India, renowned for its hassle-free, home-building solutions with its unique sustainable development projects and environment-friendly practices since it started its operations.

The Transferee Company is part of Adani group of companies. The equity shares of the Transferee Company are listed on the Stock Exchanges. The global depository receipts issued by the Transferee Company are listed on the Luxembourg Stock Exchange.





- (iii) By way of separate ongoing schemes of amalgamation, it is proposed (a) to amalgamate Sanghi Industries Limited (a subsidiary of the Transferee Company) with the Transferee Company (“**Sanghi Merger Scheme**”); and (b) to amalgamate Penna Cement Industries Limited (a subsidiary of the Transferee Company) with the Transferee Company (“**Penna Cement Merger Scheme**”). Further, the Board of the Transferee Company has also approved a separate scheme for amalgamation of ACC Limited (a subsidiary of the Transferee Company) with the Transferee Company (“**ACC Merger Scheme**”) on December 22, 2025.

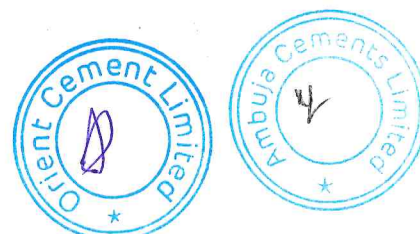
## RATIONALE AND BENEFIT OF THE SCHEME

1. The Transferee Company is among India’s leading cement manufacturers, with installed capacity across India. The Transferor Company is also engaged in cement manufacturing, with capacities concentrated in West and South India. The Transferee Company is the promoter of the Transferor Company and holds 72.66% of the paid-up equity share capital of the Transferor Company. As both the companies are under the same line of business, the amalgamation will enable the Transferee Company to assume complete ownership and direction of the Transferor Company’s business for long-term strategic alignment. The proposed amalgamation will combine the operations of both companies, driving focused growth, operational efficiencies, and significant business synergies. Furthermore, the resulting corporate structure will enhance agility and strengthen the overall business ecosystem of the merged entity.
2. The amalgamation will unify manufacturing and commercial functions, optimize resource allocation, and streamline the group’s structure by reducing multiple entities in the same line of business. This integration will enable faster decision-making, smoother execution of production plans, and stronger operational discipline enhancing agility and efficiency across the combined network.
3. By pooling financial, operational, and logistical resources, the merged entity will unlock economies of scale. Coupled with a unified market approach and efficient capital deployment, these synergies will boost profitability, strengthen competitiveness, and deliver superior long-term value and benefits to shareholders and other stakeholders.

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

The proposed Scheme would, *inter alia*, result in the following synergies:

- a. **Unified Cement Platform** – Creating a consolidated cement platform supports Transferee Company’s strategy, enabling category leadership and efficient resource use.
- b. **Governance Simplification** - A unified entity structure will enable focused governance, streamlined compliance and operations, transparency, reducing legal and other statutory requirements, comprehensive business management and more effective Board oversight.



- c. **Operational Optimization** - Optimizing clinker and cement movement, logistics, and plant-to-market mapping which in turn boosts cost efficiency and eliminates coordination issues.
- d. **Investor Value Creation** - Enhancing stakeholder value by way of a simplified group structure.

## IMPACT OF THE SCHEME ON SHAREHOLDERS

For the shareholders of the Transferee Company, the proposed Scheme will result in economies of scale and consolidation of opportunities will improve profitability and enhance overall shareholder value. This is particularly marked in the improved synergies that will arise pursuant to the Scheme. Based on the Share Exchange Ratio as set out in the Valuation Report, there will be no detrimental impact of the proposed Scheme on the shareholders and no shareholder is expected to have any disproportionate advantage or disadvantage in any manner.

For the shareholders of the Transferor Company, the proposed Scheme will provide an opportunity to improve the economic value for the shareholders. This is particularly marked in the improved synergies that will arise pursuant to the Scheme. The proposed Scheme will result in deriving benefits for future capacity expansion and efficiency improvement measures. Thus, upon the Scheme becoming effective, the shareholders of the Transferor Company will be able to participate in the growth of the Transferee Company, which is the leading cement manufacturing company in India as on date.

## PARTS OF THE SCHEME

The Scheme is divided into the following parts:

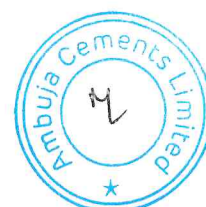
- (i) **Part I** deals with the definitions, interpretation, date of taking effect and share capital of the Transferor Company and the Transferee Company;
- (ii) **Part II, *inter alia***, deals with the amalgamation of the Transferor Company into and with the Transferee Company in accordance with the provisions of Sections 230 – 232 of the Act; and
- (iii) **Part III** deals with the general terms and conditions that would be applicable to the Scheme.

## PART I

### 1. DEFINITIONS, INTERPRETATION, DATE OF TAKING EFFECT AND SHARE CAPITAL

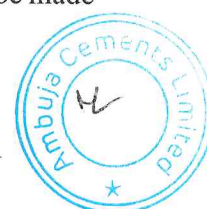
#### 1.1. Definitions

In this Scheme, the following words and expressions shall, unless the context requires otherwise, have the following meanings ascribed to them:



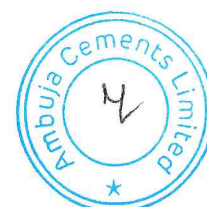


- 1.1.1. **“ACC Merger Scheme”** shall have the meaning as set forth in the Introduction Clause.
- 1.1.2. **“Act”** means the Companies Act, 2013, and all amendments or statutory modifications thereto or re-enactments thereof, including the rules and regulations made thereunder or notifications, circulars or orders made/issued thereunder, from time to time.
- 1.1.3. **“Appointed Date”** means May 1, 2025.
- 1.1.4. **“Board of Directors”** or **“Board”** in relation to the Companies means their respective board of directors, and unless it is repugnant to the context or otherwise, includes any committee of directors or any person authorised by the board of directors or by such committee of directors duly constituted and authorised for the purposes of matters pertaining to the arrangement as contemplated under this Scheme and/or any other matters relating thereto.
- 1.1.5. **“Companies”** means collectively, the Transferor Company and the Transferee Company.
- 1.1.6. **“Effective Date”** means the last of the dates on which all the approvals or events specified under Clause 3.3 of the Scheme are obtained or have occurred or the requirement of which have been waived. References in this Scheme to *“upon the coming into effect of this Scheme”* or *“upon this Scheme becoming effective”* or *“effectiveness of this Scheme”* or *“Scheme coming into effect”* shall mean the Effective Date.
- 1.1.7. **“Encumbrance”** means any form of legal or equitable encumbrance or security interest including without limitation (i) any options, claim, pre-emptive right, easement, limitation, attachment, restraint, mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, escrow, title retention, security interest or other encumbrance or interest of any kind securing or conferring any priority of payment in respect of any obligation of any person, including any right granted by a transaction or other type of preferential arrangement or interest which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under applicable Law, including any option or right of pre-emption, public right, common right, easement rights, any attachment, restriction on use, transfer, receipt of income or exercise of any other attribute of ownership, right of set off and/or any other interest held by a third party; (ii) any voting agreement, conditional sale contracts or agreements, interest, option, right of first offer, first, last or other refusal right, proxy, power of attorney, or transfer restriction; (iii) any adverse claim as to title, possession or use; and/or (iv) any agreement, conditional or otherwise, to create any of the foregoing and the terms **“Encumbered”**, **“Encumber”** shall be construed accordingly.
- 1.1.8. **“Governmental Approval”** means any consent, approval, licence, permit, order, exemption, certificate, clearance or authorisation obtained or to be obtained from, or any registration, notification, declaration or filing made to or with, or to be made



to or with, any Governmental Authority and shall include Required Governmental Filings.

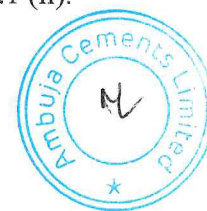
- 1.1.9. **“Government” or “Governmental Authority”** means any national, state, provincial, local or similar government or, governmental, statutory, regulatory or administrative authority, government department, agency, commission, departmental or public body or authority, SEBI, Stock Exchanges, any relevant Tax authority, tribunal or court or other entity authorized to make Laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case, having the force of Law, or any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of Law, as may be applicable, having or purporting to have jurisdiction on behalf of the Republic of India or any state or province or other political subdivision thereof or any municipality, district or other subdivision thereof or in any other nation, over the Companies.
- 1.1.10. **“Income Tax Act”** means the Income Tax Act, 1961, and all amendments or statutory modifications thereto or re-enactments thereof, including the rules and regulations made thereunder or notifications, circulars or orders made/issued thereunder, from time to time.
- 1.1.11. **“Intellectual Property Rights”** means all intellectual property rights (including hardware, software, licenses, source codes, object code, algorithm and scripts), registrations, servers, software assets, hardware assets, cloud, data centres, any devices including but not limited to laptops and mobile devices, goodwill, patents, patent applications, divisional patent, patent of additions, trademarks, service marks, trade names, logos, corporate names, brand names, domain names, copyrights, designs including project designs, market authorization, marketing intangibles, research and studies, technical knowhow, and all common law rights, pending applications, registrations and renewals in connection therewith, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, confidential business information and other proprietary information.
- 1.1.12. **“Law”(s)** means (a) applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, byelaws, regulations, notifications, guidelines, press notes, clarifications, or policies of any applicable country and/or jurisdiction; (b) writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals of, or agreements with, any Governmental Authority or Stock Exchanges.
- 1.1.13. **“Liabilities”** means all debts (whether in Rupees or foreign currency), liabilities (including bills payable, interest accrued, statutory reserves, provisions and all other liabilities including contingent liabilities, and obligations under any licenses or permits or schemes), loans raised and used, obligations incurred, duties of any kind, nature or description and undertakings of every kind or nature and the liabilities of any description whatsoever whether or not provided in the books of accounts or disclosed in the financial statements of the Transferor Company,



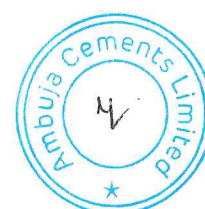
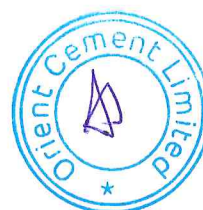


whether present or future, and howsoever raised or incurred or utilized along with any charge, encumbrance, lien or security thereon.

- 1.1.14. **“New Equity Shares”** shall have the meaning set forth in Clause 2.3.1 (ii).
- 1.1.15. **“Penna Cement Merger Scheme”** shall have the meaning as set forth in the Introduction Clause.
- 1.1.16. **“Record Date”** means the date to be fixed by the Board of Directors of the Transferee Company in consultation with the Board of Directors of the Transferor Company for the purpose of determining the equity shareholders of the Transferor Company, to whom the Transferee Company Shares will be allotted pursuant to this Scheme.
- 1.1.17. **“Required Governmental Filings”** means, collectively, the intimations/filings required to be made with the Stock Exchanges, the Tribunal and the RoC, in connection with the present Scheme.
- 1.1.18. **“RoC”** means the (i) Registrar of Companies, Odisha, having territorial jurisdiction in the State in which the registered office of the Transferor Company is presently located and upon the shifting of the registered office of the Transferor Company from the State of Odisha to the State of Gujarat pursuant to the order to be passed by the Regional Director, Eastern Region, the same shall mean the Registrar of Companies, Gujarat; and (ii) Registrar of Companies, Gujarat for the Transferee Company.
- 1.1.19. **“Rupees” or “Rs.” or “Re.”** means the Indian rupee which is the lawful currency of India.
- 1.1.20. **“Sanghi Merger Scheme”** shall have the meaning as set forth in the Introduction Clause.
- 1.1.21. **“Scheme”** means this scheme of amalgamation, subject to any modification(s) thereto as may be imposed by the Tribunal or any modification(s) or amendment sought by the Companies, as confirmed/approved by the Tribunal.
- 1.1.22. **“SEBI”** means the Securities and Exchange Board of India.
- 1.1.23. **“SEBI LODR Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- 1.1.24. **“SEBI Schemes Master Circular”** means Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, issued by SEBI regarding Scheme of Arrangement by Listed Entities and Relaxation of Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957, each as amended from time to time.
- 1.1.25. **“Share Exchange Ratio”** shall have the meaning set forth in Clause 2.3.1 (ii).



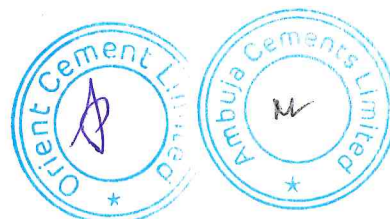
- 1.1.26. **“Stock Exchanges”** means collectively the BSE Limited and the National Stock Exchange of India Limited.
- 1.1.27. **“Stock Exchanges Approval”** means the no-objection/no-adverse observation letter(s) obtained by both the Companies from the relevant Stock Exchanges in relation to the Scheme pursuant to Regulation 37 of the SEBI LODR Regulations and the SEBI Schemes Master Circular.
- 1.1.28. **“Tax” or “Taxes”** means any and all taxes (direct or indirect), surcharges, fees, levies, duties, tariffs, imposts and other charges of any kind, in each case in the nature of a tax, imposed by any Governmental Authority (whether payable directly or by withholding), including taxes based upon or measured by income, windfall or other profits, gross receipts, property, sales, severance, branch profits, customs duties, excise, central value added tax, central sales tax, sales tax, entry tax, tax deducted at source, tax collected at source, self-assessment tax, advance tax, service tax, goods and services tax, stamp duty, transfer tax, value-added tax, minimum alternate tax, banking cash transaction tax, equalisation levy, dividend distribution tax, buy-back tax, securities transaction tax, taxes withheld or paid, customs duty and registration fees (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto).
- 1.1.29. **“Transferee Company”** means Ambuja Cements Limited, a public company incorporated with limited liability under the provisions of the Companies Act, 1956, with its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India.
- 1.1.30. **“Transferee Company Shares”** means the fully paid-up equity shares of the Transferee Company, each having a face value of Rs 2/- (Rupees Two only) and having one vote per equity share.
- 1.1.31. **“Transferor Company”** means Orient Cement Limited, a public company incorporated with limited liability under the provisions of the Companies Act, 1956, with its registered office presently situated at Unit VIII, Plot No. 7, Bhoinagar, Bhubaneswar, Odisha - 751 012, and upon the shifting of the registered office of the Transferor Company from the State of Odisha to the State of Gujarat, pursuant to the order passed by the Regional Director, Eastern Region, the registered office of the Transferor Company would be situated at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India.
- 1.1.32. **“Tribunal”** means the relevant bench/es of the Hon’ble National Company Law Tribunal, or such other forum or authority as may be vested with any of the powers of the above mentioned tribunal under the Act for approving any scheme of arrangement, compromise or reconstruction of a company under Sections 230 to 232 of the Act, before which the confirmation petition/s in terms of Rule 15 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 is/are filed by the Transferor Company and/or the Transferee Company, as the case may be.



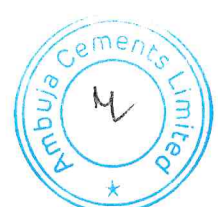


1.1.33. “**Undertaking**” means the Transferor Company and includes all of the business, undertakings, assets, properties, investments, rights, approvals, licenses and powers, leasehold rights and all its debts, outstanding, liabilities, duties and obligations of the Transferor Company, of whatsoever nature and kind and wherever situated, on a going concern basis and with continuity of business of the Transferor Company, which shall mean and include, without limitation:

- (a) any and all of its immovable properties (including work in progress) and rights thereto i.e. land together with the buildings and structures standing thereon (whether, freehold, leasehold, leave and licensed, right of way, tenancies, sanctioned/allotted by the Governmental Authority or otherwise) including drains and culverts, civil works, foundations for civil works, offices, guest house, colony, captive power plant, warehouses, workshops, sheds, stores, storages including coal storage, silo, DG room, roads, laboratory, boundary walls, soil filling works, benefits of any rental agreement for any use of premises, share of any joint assets, etc., and all documents (including panchnamas, declarations, receipts, sanction letters/orders, etc.) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interests, benefits and interests of rental agreements for lease or license or other rights to use of premises, in connection with the said immovable properties;
- (b) all the mines, including applications for mining leases, with all necessary licenses, approvals, clearances, all mine infrastructures standing on the mining lease land and surface rights, all letters of intent, composite licenses, whether already granted or for which applications are pending as on the Effective Date, including any arrangement/understanding to ensure uninterrupted supply of mineral and/or right granted to use mineral from any other source;
- (c) any and all of its assets (including work in progress), as are movable in nature, whether present or future or contingent, tangible or intangible, in possession or reversion, corporeal or incorporeal (including plant and machinery, boilers, turbines, handling equipments including coal handling equipments, dumpers, excavators, shovel, surface miners, cranes, capital work in progress, electrical fittings, air conditioners, furniture, fixtures, appliances, accessories, power lines, office equipments, computers, communication facilities, installations, vehicles, inventory and tools and plants), stock-in-trade, stores and spares, stock-in-transit, raw materials, finished goods, supplies, packaging items/materials, actionable claims, prepaid expenses, bills of exchange, promissory notes, current assets, earnest monies and receivables, sundry debtors, financial assets, outstanding loans and advances, recoverable in cash or in kind or for value to be received, provisions, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Governmental Authority, semi-Government, local and other authorities and bodies, banks, customers and other persons, dividends declared or interest accrued thereon, reserves, provisions, funds, insurances, the benefits of any bank guarantees, performance guarantees and letters of credit;



- (d) any and all of its permits, licenses (including factory license), mineral mining leases and/or rights (in present or arising in future) including any arrangement(s)/understanding(s) between Transferor Company with a Government or private entity(ies) for securing mineral rights or mineral to use in its cement plants, permissions (including working permissions), right of way, approvals, authorisations, clearances, consents, benefits, registrations including import registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, pre-qualifications, bid acceptances, concessions, utilisations, subsidies, liberties and advantages (including consent/authorisation granted by Pollution Control Board, environmental clearance and other licenses/permits granted/issued/given by any Governmental Authority, statutory or regulatory or local or administrative bodies) and other benefits (in each case including the benefit of any applications made for the same), approval for commissioning of project(s) and other licenses or clearances granted for the purpose of carrying on the existing business or in connection therewith including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto that form part of the Transferor Company;
- (e) any and all of its Tax related assets, Tax deferrals, Tax credits (including any credits arising from advance Tax, self-assessment Tax, other income Tax credits, withholding Tax credits, minimum alternate Tax credits, central value added Tax credits, goods and services Tax credits, customs duty credit other indirect Tax credits and other Tax receivables), other claims under Tax Laws, privileges, incentives (including incentives in respect of income Tax, sales Tax, value added Tax, service Tax, excise duty, customs duties and goods and services Tax), benefits, Tax holidays, Tax refunds (including those pending with any Tax authorities), all Tax assets both direct and indirect including refunds filed pending to be adjudicated and refunds to be filed, advantages, benefits and all other rights, privileges, powers and facilities of every kind and description of whatsoever nature and the benefits thereto;
- (f) all contracts, agreements including power purchase agreement(s) and/or arrangements to procure power for captive consumption of the Transferor Company, coal linkages agreement(s), fuel supply agreement(s), consultancy agreements, purchase orders/service orders, operation and maintenance contracts, benefit of any arrangements, allotments, approvals, authorities, registrations, exemptions, benefits, waivers, security and other agreements, engagements, memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, minutes of meetings, bids, tenders, tariff policies, expression of interest, letters of intent, arrangements, understandings, engagements, indemnity, guarantees, powers of attorney, authorities given by, issued to, or executed in favour of the Transferor Company, deeds and instruments, including hire and purchase arrangements, lease/licence agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/manufacturer of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, concession agreements, insurance





covers and claims, clearances and other instruments of whatsoever nature and description, whether vested or potential and written, oral or otherwise and all rights, title, interests, claims and benefits thereunder;

- (g) all intangible assets, including all Intellectual Property Rights and all goodwill attached to such Intellectual Property Rights;
- (h) all rights to use, subscribe, avail telephones, facsimile, e-mail, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interests held in trusts, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company;
- (i) all books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), test reports, computer programmes, drawings, manuals, data, databases including databases for procurement, commercial and management, catalogues, brochures, pamphlets, quotations, sales and advertising materials, product registrations, dossiers, product master cards, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/supplier pricing information, and all other books and records, whether in physical or electronic form and all other interest of whatsoever nature belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company;
- (j) all insurance policies of the Transferor Company;
- (k) all investments, including long term, short term, quoted, unquoted investments in different instruments, including shares, debentures, warrants and bonds, if any;
- (l) amounts claimed or to be claimed including the receivables by the Transferor Company from any Governmental Authority;
- (m) all application monies, advance monies, earnest monies and security and other deposits paid to any person, including any Governmental Authority, and payments against other entitlements;
- (n) any and all of its Liabilities;
- (o) all of its staff and employees, and other obligations of whatsoever kind, including liabilities of the Transferor Company, with regard to its staff and employees, with respect to the payment of gratuity, superannuation, pension



benefits and provident fund or other compensation or benefits, if any, whether in the event of resignation, death, retirement, retrenchment or otherwise as on the Effective Date; and

- (p) all suits, actions, legal or other proceedings, including quasi-judicial, arbitral and other administrative proceedings of whatsoever nature, involving or continued or to be enforced by or against the Transferor Company.

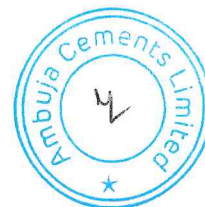
1.1.34. **“Valuation Report”** means the joint valuation report issued by GT Valuation Advisors Private Limited and BDO Valuation Advisory LLP, Registered Valuers, dated December 22, 2025, in relation to the valuations of the Transferor Company and Transferee Company, for the purposes of determining the Share Exchange Ratio.

## 1.2. Interpretation

1.2.1 All terms and words used in the Scheme but not specifically defined herein shall, unless contrary to the context thereof, have the meaning ascribed to them under the Act.

1.2.2 In the Scheme, unless the context otherwise requires:

- (i) references to a statutory provision include any subordinate legislation made from time to time under that provision;
- (ii) references to the singular include the plural and *vice versa* and references to any gender includes all genders;
- (iii) references to a statute or statutory provision include that statute or provision as from time to time modified or re-enacted or consolidated and (so far as liability thereunder may exist or can arise) shall include also any past statutory provision (as from time to time modified or re-enacted or consolidated) which such provision has directly or indirectly replaced, provided that nothing in this Clause 1.2.2 shall operate to increase the liability of any Companies beyond that which would have existed had this Clause 1.2.2 been omitted;
- (iv) references to a document shall be a reference to that document as modified, amended, novated or replaced from time to time;
- (v) headings are for convenience only and shall not affect the construction of this Scheme;
- (vi) the expression “this Clause” shall, unless followed by reference to a specific provision, be deemed to refer to the whole Clause (and not merely the sub-Clause, paragraph or other provision) in which the expression occurs;
- (vii) references to Clauses, unless otherwise provided, are to Clauses of this Scheme;





- (viii) references to any person shall include any individual, firm, body corporate (whether incorporated or not), Governmental Authority, or any joint venture, association, partnership, works council, or employee representatives' body (whether or not having separate legal personality);
- (ix) any phrase introduced by the terms "include" or "including" or "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- (x) reference to "writing" or "written" includes printing, typing, lithography, and other means of reproducing words in a visible form including email;
- (xi) terms "hereof", "herein", "hereby", "hereto", "hereunder" and derivative or similar words shall refer to this entire Scheme or specified Clauses of this Scheme, as the case may be; and
- (xii) where a wider construction is possible, the words "other" and "otherwise" shall not be construed *ejusdem generis* with any foregoing words.

### 1.3. Effective Date

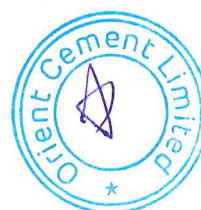
The Scheme set out herein in its present form, or with modification(s), if any, made in accordance with the provisions of the Scheme and/or the directions of the Tribunal, shall be effective from the Appointed Date but shall be operative from the Effective Date.

### 1.4. Share Capital

- 1.4.1. The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on November 30, 2025, was as under:

SHARE CAPITAL	AMOUNT IN RS.
<b>Authorised share capital</b>	
50,00,00,000 equity shares of Re.1/- each	50,00,00,000
<b>Total</b>	<b>50,00,00,000</b>
<b>Issued, subscribed and paid-up capital</b>	
20,54,59,873 equity shares of Re.1/- each fully paid-up	20,54,59,873
<b>Total</b>	<b>20,54,59,873</b>

- 1.4.2. The authorised, issued, subscribed and paid-up share capital of the Transferee Company as on November 30, 2025, was as under:



SHARE CAPITAL	AMOUNT IN RS.
<b>Authorised share capital<sup>^</sup></b>	
4,001,77,50,000 equity shares of Rs. 2/- each	8,003,55,00,000
15,00,00,000 preference shares of Rs. 10/- each	150,00,00,000
<b>Total</b>	<b>8153,55,00,000</b>
<b>Issued share capital<sup>^</sup></b>	
247,21,49,998 * equity shares of Rs. 2/- each fully paid up	494,42,99,996
<b>Total</b>	<b>494,42,99,996</b>
<b>Subscribed and paid-up share capital<sup>^</sup></b>	
247,18,23,478 * equity shares of Rs. 2/- each fully paid up <sup>#</sup>	494,36,46,956
<b>Total</b>	<b>494,36,46,956</b>

<sup>^</sup> The authorised, issued, subscribed and paid-up share capital as stated above is after giving effect to the sanction of Scheme of Amalgamation of Adani Cementation Limited with Ambuja Cements Limited, which has been made effective from August 1, 2025.

\* The issued and paid-up share capital includes 13,36,389 equity shares represented by 13,36,389 global depository receipts as on November 30, 2025.

<sup>#</sup> The difference of 3,26,520 equity shares between issued, subscribed and paid-up capital is on account of past issuance of right shares which are kept in abeyance.

## PART II

### 2. AMALGAMATION OF THE TRANSFEROR COMPANY INTO AND WITH THE TRANSFEREE COMPANY

#### 2.1 Transfer and vesting

2.1.1 Upon the coming into effect of this Scheme, and with effect from the Appointed Date, subject to the provisions of this Scheme, the Transferor Company along with



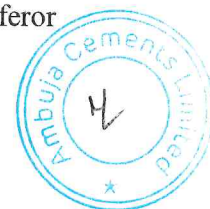


all its estates, properties, assets, contracts, employees, records, approvals, rights, claims, title and authorities, benefits, liabilities and interest, etc., i.e., the Undertaking shall stand transferred to and vest in and/or be deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, instrument, deed, matter or thing being made, done or executed, so as to become, as and from the Appointed Date, the estate, properties, assets, rights, claims, title and authorities, benefits, liabilities and interest of the Transferee Company by virtue of and in the manner provided in the Scheme pursuant to the sanction of the Scheme by the Tribunal and the provisions of sections 230 to 232 and other applicable provisions of the Act.

- 2.1.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon the coming into effect of this Scheme and with effect from the Appointed Date, in relation to the Undertaking:

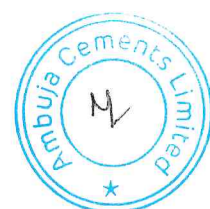
#### **Transfer of Assets**

- (i) All assets of the Transferor Company that are movable in nature or incorporeal property or are otherwise capable of transfer by physical or constructive delivery, novation and/or by endorsement and delivery or by vesting and recordal of whatsoever nature, or otherwise capable of transfer by delivery of possession or by operation of Law pursuant to this Scheme, shall, pursuant to this Scheme, stand transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company and shall become the property and an integral part of the Transferee Company, with effect on and from the Appointed Date pursuant to the provisions of the Act, all other applicable provisions of applicable Law, if any, without any further act, instrument or deed. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
- (ii) All other movable assets of the Transferor Company, including investments in shares and any other securities, contingent assets, sundry debtors, actionable claims, earnest monies, receivables, bills, credits, outstanding loans and advances, recoverable in cash or in kind or for value to be received, bank balances and deposits, with Governmental Authorities, customers and other persons, shall, without any further act, instrument or deed, stand transferred to, and vested in the Transferee Company without any notice or other intimation to the debtors or obligors or any other person. The Transferee Company shall upon sanction of the Scheme be entitled to the delivery and possession of all documents of title of such movable property in this regard. The Transferee Company may (without being obliged to do so), if it so deems appropriate, give notice in such form as it deems fit and proper, to each such debtor or obligor or any other person, that pursuant to the sanction of the Scheme by the Tribunal, such debt, loan, advance, claim, bank balance, deposit or other asset be paid or made good or held on account of the Transferee Company as the person entitled thereto, to the end and intent that the right of the Transferor



Company to recover or realise all such debts (including the debts payable by such debtor or obligor or any other person to the Transferor Company) stands transferred and assigned to the Transferee Company and that appropriate entries should be passed in the books of accounts of the relevant debtors or obligors or other persons to record such change.

- (iii) All debentures, bonds, notes or other debt securities, if any, of the Transferor Company, whether convertible into equity or otherwise, shall, without any further act, instrument or deed, become the securities of the Transferee Company and all rights, powers, duties and obligations in relation thereto shall be and shall stand transferred to and vested in and shall be exercised by or against the Transferee Company as if it were the Transferee Company in respect of the securities so transferred.
- (iv) All lease and licence agreements, entered into by the Transferor Company with landlords, owners and lessors in connection with the use of the assets of the Undertaking, including mining leases and any arrangement(s) between the Transferor Company with a government or private entity(ies) for securing mineral rights or mineral to use in its cement plants, together with security deposits and advance/prepaid lease/license fee, rights and easements in relation to such properties, shall stand automatically transferred in favour of the Transferee Company on the same terms and conditions, without any further act, instrument, deed, matter or thing being made, done or executed. The Transferee Company shall continue to pay rent amounts/licence fees/royalty as provided for in such agreements and shall comply with the other terms, conditions and covenants thereunder and shall also be entitled to refund of security deposits/prepaid lease/license fee paid under such agreements by the Transferor Company.
- (v) All immovable properties, estate, assets of the Transferor Company, including land together with the buildings and structures standing thereon or embedded to the land and rights, claim, title, authorities and interests in immovable properties including accretions and appurtenances of the Undertaking of whatsoever nature and wherever situate of the Transferor Company, whether freehold or leasehold or sanctioned/allotted by any Governmental Authority or otherwise, and all tenancies, all documents of title, rights and easements in relation thereto shall be vested in and/or be deemed to have been vested in the Transferee Company, without any further act or deed done or being required to be done by the Transferor Company and/or the Transferee Company and the mere filing thereof with the appropriate registrar or sub-registrar or with the relevant Governmental Authority shall suffice as record of continuing titles with the Transferee Company and shall be constituted as a deemed mutation and substitution thereof. The Transferee Company shall be entitled to exercise all rights and privileges attached to such immovable properties and shall be liable to pay the ground rent, rates and Taxes and fulfil all obligations in relation to or applicable to such immovable properties. The mutation or substitution of the title to the immovable properties shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant





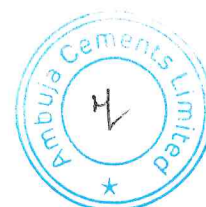
to the sanction of this Scheme by the Tribunal and upon the coming into effect of this Scheme in accordance with the terms hereof. The appropriate authorities shall grant all clearances/permissions, if any, required for enabling the Transferee Company to absolutely own and enjoy the immovable properties in accordance with applicable Law. The Transferee Company shall upon the Scheme becoming effective be entitled to the delivery and possession of all documents of title to such immovable property in this regard, which are in possession of the Transferor Company. It is clarified that any document executed pursuant to this Clause 2.1.2(v) or Clause 2.1.2(iv) or Clause 2.1.2(viii) of Part II will be for the limited purpose of meeting the regulatory requirements and shall not be deemed to be a document under which the transfer of any asset of the Transferor Company takes place and all assets of the Transferor Company shall be transferred solely pursuant to and in terms of this Scheme and the order of the Tribunal sanctioning the Scheme.

- (vi) All estate, assets, rights, title, claims, interest, investments and properties of the Transferor Company as on the Appointed Date, including accretions and appurtenances, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, of whatsoever nature and wherever situate, which is acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company.
- (vii) In respect of any lease or license or right to use or any other agreement or arrangement forming part of the Transferor Company's assets, if any prior consent, approval or permission of a Government or any other competent authority is required for such transfer, assignment or renewal pursuant to this Scheme, the Transferor Company shall make the necessary applications to obtain such consent. Until such consent is obtained, and the relevant agreement is renewed, transferred or assigned, the Transferee Company shall continue to comply with and fulfil all obligations under such documents and arrangements. Until the owned property, leasehold property, property sanctioned/allotted by the Governmental Authority and related rights thereto, license or right to use the immovable property, tenancy rights, liberties and special status are transferred, vested, recorded, effected and/or perfected in the record of the appropriate authorities in favour of the Transferee Company, the Transferee Company shall be deemed to be authorised to carry on business (including the entitlement to occupy and use all premises) in the name and style of the Transferor Company under the relevant agreement, deed, lease and/or licence, sanction letters/orders, as the case may be, and the Transferee Company shall keep a record and account of such transactions.
- (viii) For purposes of taking on record the name of the Transferee Company in the records of the Governmental Authorities in respect of transfer of immovable properties to the Transferee Company pursuant to this Scheme, the Board of Directors of the Transferor Company and the



Transferee Company may approve the execution of such documents or deeds as may be necessary.

- (ix) All letters of intent, requests for proposal, pre-qualifications, bid acceptances, tenders, and other instruments of whatsoever nature to which the Transferor Company is a party to or to the benefit of which the Transferor Company may be eligible for, shall remain in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto. Upon coming into effect of the Scheme, the past track record of the Transferor Company shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes.
- (x) All the security interest over any moveable and/or immoveable properties and security in any other form (both present and future) including but not limited to any pledges, or guarantees, if any, created/executed by any person in favour of the Transferor Company or any other person acting on behalf of or for the benefit of the Transferor Company for securing the obligations of the persons to whom the Transferor Company has advanced loans and granted other funded and non-funded financial assistance, by way of letter of comfort or through other similar instruments shall without any further act, instrument or deed stand vested in and be deemed to be vested in favour of the Transferee Company and the benefit of such security shall be available to the Transferee Company as if such security was ab initio created in favour of the Transferee Company. The mutation or substitution of the charge in relation to the movable and immovable properties of the Transferor Company shall, upon this Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities and third parties (including any depository participants) pursuant to the sanction of this Scheme by the Tribunal and upon the Scheme becoming effective in accordance with the terms hereof.
- (xi) All electricity, gas, water and any other utility connections and tariff rates in respect thereof sanctioned by various public sector and private companies, boards, agencies and authorities to the Transferor Company, together with security deposits and all other advances paid, shall stand automatically transferred in favour of the Transferee Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed. The relevant electricity, gas, water and any other utility companies, boards, agencies and authorities shall issue invoices in the name of the Transferee Company with effect from the billing cycle commencing from the month immediately succeeding the month in which the Effective Date falls. The Transferee Company shall comply with the terms, conditions and covenants associated with the grant of such connection and shall also be entitled to refund of security deposits placed with such companies, boards, agencies and authorities by the Transferor Company.

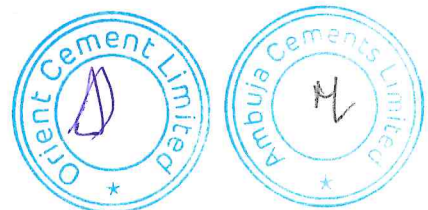




- (xii) All bank accounts operated or entitled to be operated by the Transferor Company shall be deemed to have been transferred and shall stand transferred to the Transferee Company and the name of the Transferor Company shall be substituted by the name of the Transferee Company in the bank's records and the Transferee Company shall be entitled to operate all bank accounts, realise all monies and complete and enforce all pending contracts and transactions in the name of the Transferor Company to the extent necessary until the transfer of the rights and obligations of the Transferor Company to the Transferee Company under the Scheme is formally accepted and completed by the parties concerned. For avoidance of doubt, it is hereby clarified that all cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date, shall be accepted by the bankers of the Transferee Company and credited to the accounts of the Transferee Company, if presented by the Transferee Company. Similarly, the banker of the Transferee Company shall honour all cheques issued by the Transferor Company for payment after the Effective Date.
- (xiii) For avoidance of doubt and without prejudice to the generality of any 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 Company manufactured and/or branded and/or labelled and/or packed in the name of the Transferor Company 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 Company 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) may be raised in the name of the Transferee Company after the Effective Date.

#### **Transfer of Liabilities**

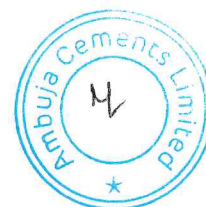
- (xiv) Upon the coming into effect of this Scheme, all secured and unsecured Liabilities howsoever arising, to the extent they are outstanding as on the Effective Date, shall pursuant to the provisions of the Act and all other applicable provisions of Laws, be deemed to be the Liabilities of every kind, nature and description of the Transferee Company on the same terms and conditions as was applicable to the Transferor Company, without any further act, instrument, deed, matter or thing being made, done or executed, and the Transferee Company undertakes to meet, discharge and satisfy the same in terms of their terms and conditions, if any. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or any other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen, in order to give effect to the provisions of this Clause.



- (xv) It is clarified that all Liabilities incurred or undertaken by the Transferor Company after the Appointed Date and prior to the Effective Date shall also be deemed to have been incurred or undertaken for and on behalf of the Transferee Company and, to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of the Act and all other applicable provisions of Laws, without any further act, instrument or deed, shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company on the same terms and conditions as was applicable to the Transferor Company, and shall become the Liabilities of the Transferee Company which shall meet, discharge and satisfy the same.
- (xvi) Where any of the Liabilities incurred before the Appointed Date by the Transferor Company, deemed to have been transferred to the Transferee Company by virtue of this Scheme, has been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- (xvii) Subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of this Clause shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security document, all of which instruments shall stand modified and/or superseded by the foregoing provisions of this Scheme. It is expressly provided that, no other terms or conditions of the Liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.

#### **Transfer of Encumbrances**

- (xviii) The transfer and vesting of movable and immovable properties as stated above, shall be subject to Encumbrances, if any, affecting the same.
- (xix) All Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company which secure or relate to any liability, shall, after the Effective Date, without any further act, instrument or deed, continue to be related and attached to such assets or any part thereof to which they related or were attached prior to the Effective Date and as are transferred to the Transferee Company. Provided that if any of the assets of the Transferor Company has not been Encumbered in respect of the 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. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or any third party shall not affect the operation of the foregoing provisions of this Scheme.

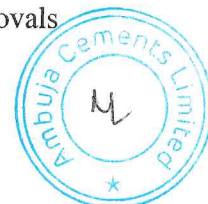




- (xx) The existing Encumbrances over the other assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate to such assets and properties and shall not extend to or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of the Scheme.
- (xxi) Any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferor Company and the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s) with the RoC to give formal effect to the above provisions, if required.

#### **Transfer of Permits**

- (xxii) All Governmental Approvals and other consents, allotments, concessions, credits, awards, sanctions, subsidies, rehabilitation schemes, permissions, quotas, rights, authorisations, entitlements, no-objection certificates and licences, including those relating to tenancies, pre-qualifications, bid acceptances, tenders, privileges, powers, facilities, letter of allotments and certificates of every kind and description of whatsoever nature, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be entitled to use or which may be required to carry on the operations of the Transferor Company, and which are subsisting or in effect immediately prior to the Effective Date, including the benefits of any applications made for any of the foregoing, shall be, and remain, in full force and effect in favour of or against the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party, a beneficiary or an obligee thereto and shall be appropriately mutated by the relevant Governmental Authorities in favour of the Transferee Company. It is hereby clarified that if the consent of any third party or Governmental Authority is required to give effect to the provisions of this Clause, the said third party or Governmental Authority shall make and duly record the necessary substitution/ endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Tribunal, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/ documents with relevant authorities concerned for information and record purposes.
- (xxiii) Without prejudice to the generality of the Clauses mentioned above, the assets of the Transferor Company shall also include all permits (including verification permits), licences, and any other licences, approvals

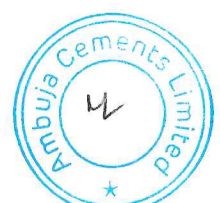


(including open access), clearances, sanctions, authorities, quotas, allocations granted to the Transferor Company, all municipal approvals, panchayat and local approvals, authorisations, statutory rights, permissions, registrations, certificates, consents, authorities (including for the operation of bank accounts), powers of attorneys (given by, issued to or executed in favour of the Transferor Company) and benefits of all contracts, allotments, consents, quotas, rights, easements, engagements, exemptions, entitlements, advantages of whatever nature and howsoever named, properties, movable, in possession or reversion, present or contingent of whatsoever nature and where-so-ever situated, liberties, ownerships rights and benefits, earnest moneys payable pertaining to the assets mentioned in the aforesaid Clauses, all other rights and benefits, licences, powers, privileges and facilities of every kind, nature and description whatsoever; right to use and avail of telephones, facsimile, connections, installations and other communication facilities and equipment, titles, all other utilities, benefits of all contracts, government contracts, memoranda of understanding, project service agreements, pre-qualification, applications, bids, tenders, letters of intent, concessions, non-possessory contractual rights or any other contracts, development rights, allocated deferred Tax and all other interest in connection with or relation to the Transferor Company, shall stand transferred to the Transferee Company in accordance with the applicable Laws.

- (xxiv) Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, holidays, incentives, concessions and other authorizations, etc., shall stand vested by the order of sanction of the Tribunal in the Transferee Company, the Transferee Company shall file the relevant intimations, if required, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the Tribunal.

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

- (xxv) All contracts, deeds, bonds, agreements (including power purchase agreement(s), coal linkages agreement(s), fuel supply agreement(s), consultancy agreements, purchase orders/service orders, operation and maintenance contracts), memoranda of understanding, memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, minutes of meetings, bids, tenders, expression of interest, letters of intent, arrangements, understandings, engagements, indemnity, guarantees, powers of attorney, authorities given by, issued to, or executed in favour of the Transferor Company, deeds and instruments, including hire and purchase arrangements, lease/license agreements, tenancy rights, agreements/panchnamas for right of way, equipment purchase agreements, agreement with customers, purchase and other agreements with the supplier/manufacture of goods/service providers, other arrangements, undertakings, deeds, bonds, schemes, whether written or otherwise, and other instruments to which the Transferor Company is a party, or to the benefit of which the Transferor Company may be entitled, and which are subsisting or having effect immediately prior to the



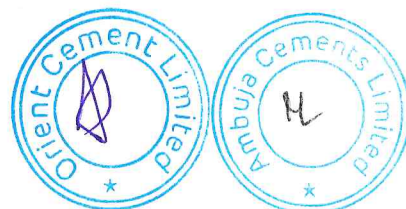


Effective Date, shall, without any further act, instrument or deed, continue in full force and effect against or in favour of, as the case may be, the Transferee Company, and may be enforced effectively by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligor or obligee thereto or thereunder. The Transferee Company will, if required, enter into novation agreements in relation to such contracts, deeds, bonds, agreements and other instruments.

- (xxvi) All other agreements entered into by the Transferor Company in connection with the assets of the Undertaking shall stand automatically transferred in favour of the Transferee Company on the same terms and conditions without any further act, instrument, deed, matter or thing being made, done or executed.
- (xxvii) On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to complete and enforce all pending contracts and transactions in respect of the Transferor Company, in the name of the Transferor Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme has been given effect to under such contracts and transactions.

#### **Transfer of Legal and Other Proceedings**

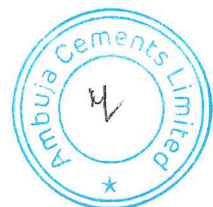
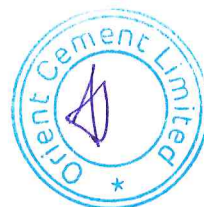
- (xxviii) All suits, actions, legal or other proceedings, including quasi-judicial, arbitral and other administrative proceedings, of whatsoever nature by or against the Transferor Company pending on the Effective Date shall not abate or be discontinued or be prejudicially affected in any way by reason of the Scheme or by anything contained in the Scheme but shall be continued, prosecuted and enforced, as the case may be, by or against the Transferee Company, in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Transferor Company.
- (xxix) It is clarified that until the Scheme coming into effect, the Transferor Company shall in consultation with the Transferee Company continue and enforce all the legal or other proceedings specified in Clause 2.1.2(xxviii) above, whether pending or initiated pending the Scheme coming into effect.
- (xxx) The Transferee Company undertakes to have all legal or other proceedings specified in Clause 2.1.2(xxviii) above, initiated by or against the Transferor Company, transferred to its name and to have such proceedings continued, prosecuted and enforced by or against the Transferee Company, as the case may be. Following the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company.



- (xxxix) The Transferee Company shall be deemed to be authorized under this Scheme to execute any pleadings, applications, forms, etc., as are required to remove any difficulties and carry out any formalities or compliances as are necessary for the implementation of this Scheme.

### Transfer of Employees

- (xxxii) With effect from the Effective Date, all the staff and employees of the Transferor Company, who are in such employment as on the Effective Date shall become, and be deemed to have become, the staff and employees of the Transferee Company, and, subject to the provisions of the Scheme, on terms and conditions not less favourable than those on which they are engaged by the Transferor Company and without any interruption of or break in service as a result of the transfer and vesting of the Undertaking to the Transferee Company. With regard to provident fund, gratuity, superannuation, leave encashment and any other special scheme or benefits or funds or trusts, if any, created by the Transferor Company which exist immediately prior to the Effective Date, the Transferee Company shall, to the extent permitted under applicable Law, stand substituted for the Transferor Company for all purposes whatsoever, upon the coming into effect of this Scheme, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds maintained by the Transferor Company, in accordance with applicable Law. It is hereby clarified that upon the coming into effect of this Scheme, such benefits and schemes shall continue to be provided to the transferred employees and the service of all transferred employees of the Transferor Company for such purpose shall be treated as having been continuous.
- (xxxiii) With regard to any provident fund, gratuity fund, pension, superannuation fund or other special fund created or existing for the benefit of such employees of the Transferor Company, it is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to such schemes or funds shall become those of the Transferee Company. Upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. Any existing provident fund, gratuity fund and superannuation fund trusts created by the Transferor Company for its employees shall be continued for the benefit of such employees on the same terms and conditions until such time that they are transferred to the relevant funds of the Transferee Company. It is clarified that the services of all employees of the Transferor Company transferred to the Transferee Company will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds. Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to Law, shall be entitled to: (i) retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company; or (ii) merge the pre-





existing fund of the Transferor Company with other similar funds of the Transferee Company.

- (xxxiv) The Transferee Company shall comply with any agreement(s)/ settlement(s) entered into with labour unions/association (if any) or employees by the Transferor Company, till their respective validity periods. The Transferee Company agrees that for the purpose of payment of any retrenchment compensation, gratuity and other termination benefits, the past services of employees with the Transferor Company, shall also be taken into account, and further agrees to pay such benefits when they become due.
- (xxxv) In relation to any funds (including any funds set up by the government for employee benefits) created or existing for the benefit of the transferred employees, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said funds in accordance with the provisions of such scheme, funds, bye laws, etc. in respect of such transferred employees.
- (xxxvi) The directors of the Transferor Company will not be entitled to any directorships in the Transferee Company by virtue of the provisions of this Scheme. It is clarified that this Scheme will not affect any directorship of any person who is already a director in the Transferee Company as on the Effective Date.

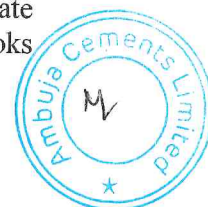
### **Transfer of Intellectual Property**

- (xxxvii) All Intellectual Property Rights including goodwill of the Transferor Company shall stand transferred to and vested in the Transferee Company and the Transferee Company shall be entitled to all Intellectual Property Rights of the Transferor Company. Any filings and/or intimations, if required in terms of Applicable Law, shall be undertaken with the relevant Governmental Authority, in order to reflect the foregoing by the Companies.

### **Inter se Transactions**

- (xxxviii) Upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (a) all *inter-se* contracts and inter-corporate deposits, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company, shall, *ipso facto*, stand discharged and cancelled, cease to operate and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given to such cancellation and cessation in the books



of accounts and records of the Transferee Company. For the removal of doubt, it is clarified that in view of the above, there will be no accrual of income or expense on account of any transactions, including *inter-alia* any transactions in the nature of sale or transfer of any goods, materials or services, between the Transferor Company and the Transferee Company. For avoidance of doubt, it is hereby clarified that with effect from the Effective Date, there will be no accrual of interest or other charges in respect of any *inter se* loans, deposits or balances between the Transferor Company and the Transferee Company.

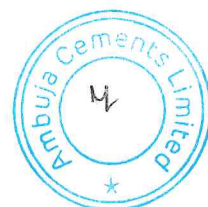
- (b) all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes.

#### **Validity of existing Borrowing Limits, Corporate Approvals**

- (xxxix) Upon the coming into effect of this Scheme and with effect from the Appointed Date, the borrowing and investment limits of the Transferee Company under the Act shall be deemed without any further act or deed to have been enhanced by the borrowing and investment limits of the Transferor Company, such limits being incremental to the existing limits of the Transferee Company.
- (xl) Any corporate approvals, resolutions, and powers of attorney executed, passed and/or obtained by the Transferor Company, whether for purposes of compliance or otherwise, including without limitation approvals under Sections 42, 62, 179, 180, 185, 186, 188, etc. of the Act, read with the rules and regulations made thereunder and SEBI LODR Regulations, shall stand transferred to the Transferee Company and such corporate approvals, resolutions and/or powers of attorney shall be deemed to have been executed, passes, obtained and/or complied with by the Transferee Company.

#### **Taxes**

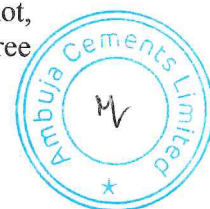
- (xli) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all Taxes payable by, or refundable to, the Transferor Company, including any refunds, claims or credits (including credits for income Tax, withholding Tax, advance Tax, self-assessment Tax, minimum alternate Tax, central value added Tax credit, goods and services Tax credits, other indirect Tax credits and other Tax receivables) shall be treated as the Tax liability, refunds, claims, or credits, as the case may be, of the Transferee Company, and any Tax incentives, benefits (including claims for unabsorbed Tax losses and unabsorbed Tax depreciation), advantages, privileges, exemptions, credits, Tax holidays, remissions or reductions, which would have been available to the Transferor Company, shall be available to the Transferee Company, and following the Effective Date, the Transferee Company shall be entitled to





initiate, raise, add or modify any claims in relation to such Taxes on behalf of the Transferor Company.

- 2.1.3 Without prejudice to the provisions of the foregoing clauses and upon the effectiveness of this Scheme, the Transferee Company shall undertake all necessary compliances in relation to the mining leases under the applicable Laws as may be required either before, during or after the effectiveness of the Scheme.
- 2.1.4 Without prejudice to the provisions of the foregoing clauses and notwithstanding the vesting of the Transferor Company into the Transferee Company by virtue of Part II of the Scheme itself, the Transferor Company and/or the Transferee Company, as the case may be, shall, at any time either before, during or after this Scheme becoming effective, in accordance with the provisions hereof, if so required under Law or otherwise, do all such acts or things as may be necessary to transfer/obtain the approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, benefits, grants, licenses and certificates which were held or enjoyed by the Transferor Company. It is hereby clarified that if the consent of any third party or Governmental Authority, if any, is required to give effect to the provisions of this Clause, the said third party or Governmental Authority shall make and duly record the necessary substitution/endorsement in the name of the Transferee Company pursuant to the sanction of this Scheme by the Tribunal, and upon this Scheme becoming effective in accordance with the provisions of the Act and with the terms hereof. For this purpose, the Transferee Company shall file appropriate applications/documents with relevant authorities concerned for information and record purposes.
- 2.1.5 The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such acts, formalities or compliances referred to above as may be required in this regard.
- 2.1.6 Without prejudice to the other provisions of the Scheme and notwithstanding the vesting of the Transferor Company into the Transferee Company by virtue of Part II of the Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under Law or otherwise, execute deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement in relation to which the Transferor Company has been a party, including any filings with the regulatory authorities in order to give formal effect to the above provisions, if required, and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company. The Transferee Company will, if necessary, also be a party to the above.
- 2.2 Business and property in trust and conduct of the business for the Transferee Company**
- 2.2.1 With effect from the Appointed Date and up to and including the Effective Date, the Transferor Company shall carry on its business with reasonable diligence and except in the ordinary course of business, the Transferor Company shall not, without the prior written consent of the Board of Directors of the Transferee

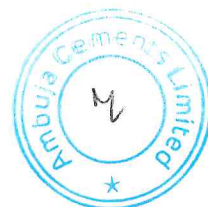


Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage, encumber or otherwise deal with or dispose of any of the assets of the Undertaking or any part thereof.

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

- (a) the Transferor Company shall carry on and be deemed to have carried on its business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions for and on account of, and in trust for, the Transferee Company;
- (b) all profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by it (including Taxes, if any, accruing or paid in relation to any profits or income) for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including Taxes), as the case may be, of the Transferee Company;
- (c) all Liabilities incurred, duties and obligations as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of the Transferor Company which arise or accrue to the Transferor Company on or after the Appointed Date, shall be deemed to be of the Transferee Company;
- (d) any of the rights, powers, authorities or privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company; and
- (e) all Taxes (including, without limitation, income Tax, minimum alternate tax, tax deducted at source, sales Tax, goods and services Tax, excise duty, customs duty, service Tax, VAT, entry Tax, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the Undertaking before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payment (including, without limitation, income Tax, minimum alternate tax, tax deducted at source, sales Tax, goods and services tax, excise duty, customs duty, service Tax, VAT, entry Tax, etc.), whether by way of deduction at source, advance Tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Undertaking with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.

## 2.3 Consideration





2.3.1 Upon the coming into effect of the Scheme and with effect from the Appointed Date, and in consideration of the transfer and vesting of the Undertaking in the Transferee Company:

- (a) the equity shares of the Transferor Company and which are held by the Transferee Company shall stand cancelled and extinguished and in lieu thereof, there shall be no allotment of any equity shares in the Transferee Company; and
- (b) the Transferee Company shall, without any further application, act or deed, issue and allot New Equity Shares in the Share Exchange Ratio on basis of the Valuation Report to the equity shareholder(s) of the Transferor Company (other than the equity shareholder mentioned in sub-clause (i) above) whose names are recorded in the register of members as a member of the Transferor Company including register and index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, on the Record Date (or to such of their respective heirs, executors, administrators, or other legal representatives or other successors in title as may be recognized by the Board of the Transferee Company) in the following manner and subject to the issuance mechanism set out below:

33 (Thirty Three) Transferee Company Shares, credited as fully paid-up, for every 100 (One Hundred) equity shares of the face value of Re. 1/- (Rupee One only) each fully paid-up, held by such equity shareholder in the Transferor Company ("**Share Exchange Ratio**").

The Transferee Company Shares to be issued by the Transferee Company to the shareholders of Transferor Company in accordance with this Clause 2.3.1 (ii) shall be hereinafter referred to as "**New Equity Shares**".

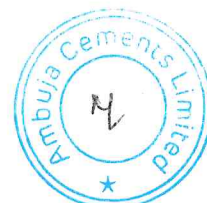
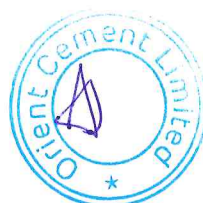
#### **Issuance Mechanism**

2.3.2 In the event of there being any pending share transfers, whether lodged or outstanding, of any equity shareholder of the Transferor Company, the Board of the Transferor Company shall be empowered in appropriate cases, prior to the Record Date, to effectuate such transfer in the Transferor Company as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferors of the equity shares in the Transferor Company and in relation to the shares issued by the Transferee Company, pursuant to Clause 2.3.1(ii) above, after the effectiveness of the Scheme. The Boards of Companies shall be empowered to remove any such difficulties as may arise in the implementation of this Scheme and registration of new members in the Transferee Company on account of difficulties faced in the transition period.

2.3.3 Where New Equity Shares are to be allotted to heirs, executors or administrators, successors of deceased equity shareholders or legal representatives of the equity shareholders of the Transferor Company, the concerned heirs, executors, administrators, successors or legal representatives shall be obliged to produce evidence of title satisfactory to the Transferee Company.



- 2.3.4 The New Equity Shares to be issued by the Transferee Company, pursuant to Clause 2.3.1(ii) above, in respect of such equity shares of the Transferor Company, the allotment or transfer of which is held in abeyance under the provisions of Section 126 of the Act or which the Transferee Company is unable to issue due to non-receipt of relevant approvals or due to applicable Law, shall, pending allotment, receipt of approvals or settlement of dispute by order of the appropriate court or where any approvals are required under applicable Law for allotment of the New Equity Shares to any shareholder of the Transferor Company, until receipt of such approval, which shall be obtained by the relevant shareholder, and which is duly confirmed by the Transferee Company, or otherwise, in each case, be kept in abeyance by the Transferee Company.
- 2.3.5 The New Equity Shares of the Transferee Company allotted and issued in terms of Clause 2.3.1 (ii) above, shall be listed and/or admitted to trading on the Stock Exchanges, where the equity shares of the Transferee Company are listed and/or admitted to trading as on the Effective Date. The New Equity Shares of the Transferee Company shall, however, be listed subject to the Transferee Company obtaining the requisite approvals from all the relevant Governmental Authorities pertaining to the listing of the New Equity Shares of the Transferee Company, if required under applicable Law. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with applicable Law for complying with the formalities of the Stock Exchanges.
- 2.3.6 Upon the Scheme becoming effective and upon the New Equity Shares of the Transferee Company being issued and allotted by it to the equity shareholder(s) of the Transferor Company, in terms of Clause 2.3.1 (ii) above, whose names appear on the register of members as a member of the Transferor Company on the Record Date or whose names appear as the beneficial owners of the equity shares of the Transferor Company in the records of the depositories/register of members, as the case may be, as on the Record Date, the equity shares of the Transferor Company, both in electronic form and in the physical form, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date.
- 2.3.7 The New Equity Shares of the Transferee Company to be allotted and issued to the equity shareholders of the Transferor Company as provided in Clause 2.3.1 (ii) above shall be subject to the provisions of the memorandum and articles of association of the Transferee Company and shall rank pari-pasu in all respects with the Transferee Company Shares after the Effective Date including as regards entitlement to dividend and other distributions and repayment of capital declared or paid on or after the Effective Date and voting and other rights.
- 2.3.8 The issue and allotment of the New Equity Shares by the Transferee Company to the equity shareholders of the Transferor Company as provided in Clause 2.3.1 (ii) above, is an integral part thereof and shall be deemed to have been carried out without requiring any further act on the part of the Transferee Company or its shareholders and as if the procedure laid down under Section 62 or any other applicable provisions of the Act, as may be applicable, and such other statutes and regulations as may be applicable were duly complied with. The cancellation of the shares of the Transferor Company held by the Transferee Company as provided in





this Scheme is an integral part hereof and it is hereby clarified that the consent of the shareholders of the Transferee Company to this Scheme and the order of the Tribunal sanctioning the Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned cancellation, and no further resolution(s) or actions under the Act or any other applicable provisions of the Act would be required to be separately passed or undertaken.

2.3.9 For the purposes of allotment of the New Equity Shares, pursuant to this Scheme, in case any Transferor Company's shareholder becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of the New Equity Shares by the Transferee Company in accordance with Clause 2.3.1 (ii) above, the Transferee Company shall not issue fractional shares to such equity shareholder and shall consolidate all such fractional entitlements and round up the aggregate of such fractions to the next whole number and shall, without any further application, act, instrument or deed, issue and allot such consolidated equity shares directly to an individual trust or a board of trustees or a corporate trustee nominated by the Transferee Company ("Trustee"), who shall hold such New Equity Shares with all additions or accretions thereto in trust for the benefit of the respective equity shareholders, to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such equity shares in the market at such price or prices at any time within a period of 90 (ninety) days from the date of allotment, and on such sale, distribute the net sale proceeds (after deduction of the expenses incurred and applicable income Tax) to the respective equity shareholders in the same proportion of their fractional entitlements. Any fractional entitlements from such net proceeds shall be rounded off to the next Rupee. It is clarified that any such distribution shall take place only on the sale of all the fractional shares of the Transferee Company by the Trustee pertaining to the fractional entitlements.

2.3.10 The New Equity Shares issued by the Transferee Company pursuant to Clause 2.3.1 (ii) above, shall be issued to the equity shareholders in demat form. The equity shareholders who hold equity shares in physical form should provide the requisite details relating to his/her/its account with a depository participant or other confirmations as may be required, to the Transferee Company to enable it to issue the New Equity Shares. In case of equity shareholders for whom such details are not available with the Transferor Company and in case of the equity shareholders who hold equity shares in physical form, the Transferee Company shall deal with the issuance of the relevant New Equity Shares in such manner as may be permissible under the applicable Law, including by way of issuing the said New Equity Shares in dematerialised form to a demat account held by a trustee nominated by the Board of the Transferee Company or into an escrow account opened by the Transferee Company or an escrow agent nominated by it, with a depository, as determined by the Board of the Transferee Company, where such New Equity Shares of the Transferee Company shall be held for the benefit of such equity shareholders (or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title). The New Equity Shares so held in such trustee's account or escrow account, as the case may be, shall be transferred to the respective equity shareholders once such equity shareholder provides details of his/her/its demat account to the Transferee Company, along with such documents as may be required by the Transferee Company. Such equity



shareholders as referenced above shall have all the rights of the shareholders of the Transferee Company, including the right to receive dividend, voting rights and other corporate benefits, pending such transfer of the said New Equity Shares from the said trustee's account or the escrow account, as the case may be. All costs and expenses incurred in this respect shall be borne by Transferee Company.

2.3.11 The New Equity Shares to be issued by the Transferee Company pursuant to Clause 2.3.1 (ii) above in respect of such equity shares of the Transferor Company as are subject to lock-in pursuant to applicable Law, if applicable, shall remain locked-in as required under the applicable Law.

2.3.12 In the event, the Transferor Company or the Transferee Company restructures their equity share capital by way of share split/consolidation/issue of bonus shares during the pendency of the Scheme, the Share Exchange Ratio shall be adjusted accordingly, to consider the effect of any such corporate actions.

2.3.13 The New Equity Shares allotted pursuant to the Scheme shall remain frozen in the depositories system until listing/trading permission is given by the Stock Exchanges.

2.3.14 The New Equity Shares to be issued in lieu of the cancelled shares of the equity shareholders held in the unclaimed suspense account of the Transferor Company shall be issued to a new unclaimed suspense account created for the equity shareholders of the Transferee Company. The New Equity Shares to be issued in lieu of cancelled equity shares of the equity shareholders held in the Investor Education and Protection Fund Authority ("IEPF") shall be issued to IEPF in favour of such equity shareholders.

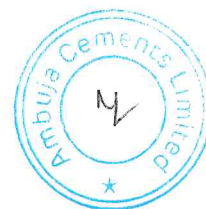
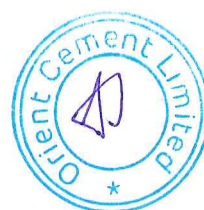
## 2.4 Accounting Treatment

### Accounting Treatment in the books of the Transferee Company

Notwithstanding anything else contained in any other clause of the Scheme, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of accounts in accordance with Pooling of Interest Method of accounting as laid down in Appendix C of Indian Accounting Standards ("Ind AS") 103 (Business Combinations of entities under common control) notified under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, such that:

2.4.1 The Transferee Company shall record all the assets and liabilities of the Transferor Company vested in it pursuant to this Scheme, at the carrying values as appearing in the consolidated financial statements of the Transferee Company.

2.4.2 The identity of the reserves of the Transferor Company shall be preserved and the Transferee Company shall record the reserves of the Transferor Company in the same form and at the carrying amount as appearing in the consolidated financial statements of Transferee Company.



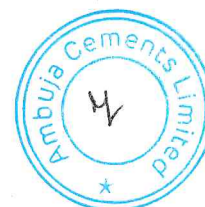


- 2.4.3 Pursuant to the amalgamation of the Transferor Company with the Transferee Company, the inter-company balances between the Transferee Company and the Transferor Company, if any, appearing in the books of the Transferee Company shall stand cancelled and there shall be no further obligation in that behalf.
- 2.4.4 The value of investments held by the Transferee Company in the Transferor Company shall stand cancelled pursuant to amalgamation.
- 2.4.5 The consideration transferred by the Transferee Company to the shareholders of the Transferor Company, as prescribed in clause 2.3.1 of this Scheme, shall be recognised at nominal /face value and credited to the Equity Share Capital of the Transferee Company.
- 2.4.6 The surplus, if any arising after taking the effect of Clauses 2.4.1, 2.4.2, 2.4.4 and 2.4.5, after giving effect to adjustment of Clause 2.4.3 shall be transferred to "Capital Reserve" in the financial statements of the Transferee Company and should be presented separately from other Capital Reserves. The deficit, if any, arising after taking the effect of Clauses 2.4.1, 2.4.2, 2.4.4 and 2.4.5 after giving effect to adjustment of Clause 2.4.3 above and adjustment of previously existing credit balance in capital reserve, if any, shall be debited to the Retained Earnings in the financial statements of the Transferee Company. The balance of this account shall be presented as part of reserves and a note explaining the nature shall be given in the financial statements of the Transferee Company.
- 2.4.7 In case of any differences in accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.
- 2.4.8 Comparative financial information in the standalone financial statements of the Transferee Company shall be restated for the accounting impact of merger, as stated above, as if the merger had occurred from the beginning of the comparative period presented. However, if common control came into existence at a date later than beginning of the comparative period presented, the prior period information shall be restated only from the date on which common control came into existence.
- 2.4.9 For accounting purposes, the Scheme will be given effect when all substantial conditions for the transfer of the Transferor Company are completed.
- 2.4.10 Any matter not dealt with in clauses hereinabove shall be dealt with in accordance with the requirement of applicable Ind AS.

#### **Accounting Treatment in the books of the Transferor Company**

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

#### **2.5 Dissolution of the Transferor Company**



2.5.1 Upon the coming into effect of this Scheme, the Transferor Company shall stand dissolved without being wound up, without any further act or deed.

2.5.2 Upon the coming into effect of this Scheme, the name of the Transferor Company shall be struck off from the records of the RoC. The Transferee Company shall make all necessary filings in this regard. The Transferee Company shall maintain the books and records of the Transferor Company, in terms of the provisions of Section 239 of the Act.

## **2.6 Reorganisation of the Authorised Share Capital of the Transferor Company**

2.6.1 Upon the Scheme becoming effective and with effect from the Appointed Date, and as an integral part of the Scheme, the authorised share capital of the Transferor Company shall be reclassified/reorganised such that each 2 (Two) equity shares of Re. 1/- (Rupee One only) each of the Transferor Company shall stand reclassified/reorganised as 1 (One) equity share of Rs. 2/- (Rupees Two only) each.

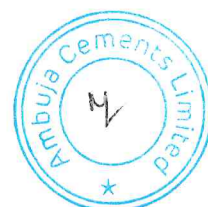
2.6.2 It is clarified that the approval of the equity shareholder(s) of the Transferor Company to this Scheme shall be deemed to be their consent/approval to the reclassification of the authorised share capital envisaged under this Clause of the Scheme, as required under Sections 13, 61 and other applicable provisions of the Act.

## **2.7 Consolidation of the Authorised Share Capital of the Transferor Company with the Authorised Share Capital of the Transferee Company**

2.7.1 Upon the Scheme becoming effective and with effect from the Appointed Date, and pursuant to the reclassification and reorganization of the resultant authorized share capital of the Transferor Company as set out in Clause 2.6 above, the resultant authorized share capital of the Transferor Company shall stand transferred to and be amalgamated/combined with the authorized share capital of the Transferee Company and that the authorized share capital of the Transferee Company shall automatically stand increased to that effect upon filing the requisite forms with the RoC and no separate procedure or instrument or deed shall be required to be followed under the Act. In accordance with Section 232(3)(i) of the Act, the fees or stamp duty, if any, paid by the Transferor Company on its authorized share capital shall be deemed to have been so paid by the Transferee Company on the combined authorized share capital, and the Transferee Company shall not be required to pay any fee/stamp duty for the increase of the authorized share capital.

2.7.2 Clause V. of the memorandum of association of the Transferee Company (relating to the authorised share capital) shall, upon this Scheme becoming effective, and without any further act, instrument or deed, be altered, modified and amended pursuant to sections 13, 61 and 64 and other applicable provisions of the Act.

2.7.3 For the avoidance of doubt, it is clarified that, in case, the authorised share capital of the Transferee Company undergoes any change, either as a consequence of the Sanghi Merger Scheme and/or the Penna Cement Merger Scheme and/or the ACC Merger Scheme and/or any corporate actions or otherwise, then Clauses 2.7.1 and 2.7.2 shall automatically stand increased/modified/adjusted to take into account the





effect of such change.

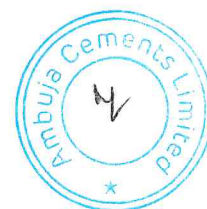
- 2.7.4 For removal of doubt, it is clarified that the approval of this Scheme by the equity shareholders of the Transferee Company under sections 230 to 232 of the Act, shall be deemed to have been an approval under sections 13, 14, 61 and 64 or any other applicable provisions under the Act and no further resolution(s) would be required to be separately passed in this regard.

## **2.8 Matters Relating to Tax in respect of the Undertaking**

- 2.8.1 The provisions of Part II of this Scheme are intended to comply with the conditions relating to "Amalgamation" as specified under section 2(1B) of the Income Tax Act. If, at a later date, any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of section 2(1B) of the Income Tax Act, including as a result of an amendment of Law or the enactment of a new legislation or for any other reason whatsoever, the provisions of section 2(1B) of the Income Tax Act, or a corresponding provision of any amended or newly enacted Law, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income Tax Act or a corresponding provision of any amended or newly enacted Law. Such modification(s) will, however, not affect the other parts of the Scheme. The power to make such modification(s), if necessary, shall vest with the Boards of Directors of the Transferor Company and the Transferee Company, which power shall be exercised reasonably in the best interest of the Transferor Company, the Transferee Company and their respective shareholders and creditors in accordance with Clause 3.2. In addition, upon the Scheme becoming effective:

- (i) to the extent required, the Transferor Company and the Transferee Company are permitted to revise and file their respective income Tax returns, withholding Tax returns (including Tax deducted at source certificates and Tax collected at source certificates), sales Tax, value added Tax, service Tax, central sales Tax, entry Tax, octroi, local Tax Law, excise and central value added Tax duty Laws, custom duty Laws, goods and services Tax returns and any other Tax returns, even if the time limits prescribed under the Income Tax Act have lapsed and that the Transferee Company is also expressly permitted to claim refunds/credits in respect of any transaction by and between the Transferor Company and the Transferee Company; and
- (ii) the Transferee Company shall be entitled to: (a) claim deduction with respect to items such as provisions, expenses, etc. disallowed in earlier years in the hands of the Transferor Company, which may be allowable in accordance with the provisions of the Income Tax Act on or after the Appointed Date; and (b) exclude items such as provisions, reversals, etc. for which no deduction or Tax benefit has been claimed by the Transferor Company prior to the Appointed Date.

- 2.8.2 Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, all accumulated Tax loss and unabsorbed Tax depreciation of the Transferor Company as on the Appointed Date, shall, for all purposes, be treated as accumulated Tax loss and unabsorbed Tax



depreciation of the Transferee Company. It is further clarified that any business loss and unabsorbed depreciation of the Transferor Company as specified in its books of account shall be included as business loss and unabsorbed depreciation of the Transferee Company for the purposes of computation of minimum alternate Tax.

- 2.8.3 Upon the Scheme becoming effective, the Transferee Company shall be entitled to claim refunds (including refunds or claims pending with the Tax authorities) or credits, with respect to Taxes paid by, for, or on behalf of, the Transferor Company under applicable Laws, including income Tax, minimum alternate Tax, Tax deducted at source, sales Tax, value added Tax, service Tax, entry Tax, custom duty, goods and services Tax or any other Tax, whether or not arising due to an inter-se transactions between the Transferor Company and the Transferee Company, even if the prescribed time limits for claiming such refunds or credits have lapsed.
- 2.8.4 Upon the Scheme becoming effective and with effect from the Appointed Date, all Taxes, cess, duties and liabilities (direct and indirect), payable by or on behalf of the Transferor Company, including any taxes paid and taxes deducted at source and deposited by the Transferee Company on inter se transactions between the Appointed Date and Effective Date, shall, for all purposes, be treated as Taxes, cess, duties and liabilities, as the case may be, of the Transferee Company.
- 2.8.5 Upon the Scheme becoming effective and with effect from the Appointed Date, all unavailed credits and exemptions and other statutory benefits, including in respect of income Tax, central value added Tax, customs, value added Tax, sales Tax, service Tax, entry Tax and goods and services Tax to which the Transferor Company is entitled shall be available to and vest in the Transferee Company, without any further act or deed.
- 2.8.6 Any Tax liabilities under the Income Tax Act or other applicable Tax Laws or regulations allocable to the Transferor Company, whether or not provided for or covered by any Tax provisions in the accounts of the Transferor Company made as on the date immediately preceding the Appointed Date, shall be transferred to the Transferee Company. Any surplus in the provision for Taxation or duties or levies in the accounts of the Transferor Company, including advance Tax and Tax deducted at source as on the close of business in India on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.
- 2.8.7 All Tax assessment proceedings and appeals of whatsoever nature by or against the Transferor Company, pending or arising as at the Effective Date, shall be continued and/or enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in this Scheme.





- 2.8.8 Any refund under the Income Tax Act or any other Tax Laws related to or due to the Transferor Company, including those for which no credit is taken as on the date immediately preceding the Effective Date, shall also belong to and be received by the Transferee Company.
- 2.8.9 Without prejudice to the generality of the above, all benefits, incentives, claims, losses, credits (including income Tax, service Tax, excise duty, goods and services Tax and applicable state value added Tax) to which the Transferor Company is entitled to in terms of applicable Tax Laws, shall be available to and vest in the Transferee Company from the Effective Date.
- 2.9 Saving of concluded transactions**
- 2.9.1 The transfer of assets, properties and liabilities and the continuance of proceedings by or against the Transferor Company under Clause 2.1.2 above shall not affect any transaction or proceedings already concluded by the Transferor Company on and after the Appointed Date until the Effective Date, to the end and intent that the Transferee Company accept and adopt all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

### **PART III**

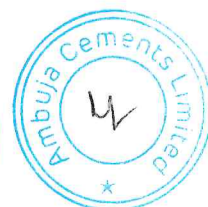
## **3. GENERAL TERMS AND CONDITIONS**

### **3.1. Applications to the Tribunal**

- 3.1.1. The Companies shall make necessary applications and/or petitions pursuant to sections 230 to 232 of the Act and other applicable provisions of the Act to the Tribunal for approval of the Scheme and all matters ancillary or incidental thereto, as may be necessary to give effect to the terms of the Scheme.
- 3.1.2. The Companies shall be entitled, pending the effectiveness of the Scheme, to apply to any Governmental Authority, if required, under any Law for such consents and approvals, which the respective Companies may require to effect the transactions contemplated under the Scheme, in any case subject to the terms as may be mutually agreed between the relevant Companies.

### **3.2. Modification or Amendments to the Scheme**

- 3.2.1. Subject to Clause 3.2.4., the Companies may mutually, by their respective Boards of Directors or such other person or persons, as the respective Boards of Directors (including any committee or sub-committee thereof), may authorize, may assent and/or make and/or consent to (i) any modifications/amendments to the Scheme (including but not limited to the terms and conditions thereof); or (ii) to any conditions or limitations that the Tribunal or any other Governmental Authority may deem fit to direct or impose; or (iii) modification/amendment which may otherwise be considered necessary, desirable or appropriate by them. No further approval of the shareholders or creditors of any of the Companies shall be necessary for giving effect to the provisions of this Clause.



3.2.2. The Companies, by their respective Boards of Directors or such other person or persons, as the respective Boards of Directors may authorize (including any committee or sub-committee thereof), shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any authorities or otherwise howsoever arising out of, or under, or by virtue of the Scheme and/or any matter concerned or connected therewith (including any question or difficulty arising in connection with any insolvent or deceased shareholders) or to review the position relating to the satisfaction of the various conditions of the Scheme and if necessary, to waive any of those (to the extent permissible under the Law).

3.2.3. For the purpose of giving effect to this Scheme or to any modifications or amendments or additions thereto, the respective Board of Directors of the Companies may jointly give and are hereby jointly authorised to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all the Companies, in the same manner as if the same were specifically incorporated in this Scheme.

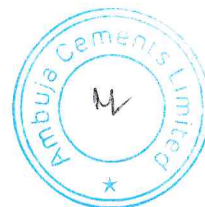
3.2.4. Notwithstanding anything stated in Clauses 3.2.1., 3.2.2. and 3.2.3. hereinabove, no amendments or changes to the Scheme shall be carried out or be permissible unless and until the same are approved by the Tribunal before which the Companies have filed the petition for sanctioning the Scheme.

3.2.5. In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the Companies and their respective shareholders and/or creditors, if any, and the terms and conditions of this Scheme, the latter shall prevail.

### 3.3. Scheme conditional upon approvals/sanctions

Unless otherwise decided (or waived) by the Companies, the effectiveness of the Scheme is and shall be conditional upon and subject to the fulfilment or waiver (to the extent permitted under applicable Law) of the following conditions precedent:

- (a) the requisite Stock Exchanges Approval having been obtained by the Companies in relation to the Scheme, which shall be in form and substance acceptable to the Companies, each acting reasonably and in good faith;
- (b) the Scheme being approved by the requisite majority of public shareholders of the Transferor Company and the Transferee Company (by way of e-voting), respectively, as required under the SEBI Schemes Master Circular;
- (c) the Scheme being approved by the respective requisite majorities of the classes of members and creditors (where applicable) of the Companies in accordance with the Act or dispensation having been received from the Tribunal in relation to obtaining such approval from the shareholders





and/or creditors or any Law permitting the respective Companies not to convene the meetings of its shareholders and/or creditors;

- (d) the Scheme being confirmed/approved by the Tribunal, either on terms as originally approved by the Companies, or subject to such modifications approved by the Tribunal, which shall be in form and substance acceptable to the Companies, each acting reasonably and in good faith; and
- (e) certified copies of the confirmation orders of the Tribunal confirming/sanctioning the Scheme being filed with the RoC by the respective Companies.

### **3.4. Dividends**

- 3.4.1. The Companies shall be entitled to declare and pay dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date, but only in the ordinary course of business.
- 3.4.2. It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the respective Companies to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Companies, and if applicable in accordance with the provisions of the Act, be subject to the approval of the shareholders of the respective Companies.

### **3.5. Interpretation**

- 3.5.1. If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any provisions of Law at a later date, whether as a result of any amendment of Law or any judicial or executive interpretation or for any other reason whatsoever, the provisions of the Law shall prevail. Subject to obtaining the sanction of the Tribunal, if necessary, this Scheme shall then stand modified in accordance with Clause 3.2 of the Scheme to the extent determined necessary to comply with the said provisions. Such modification will, however, not affect other parts of this Scheme. Notwithstanding the other provisions of this Scheme, the power to make such amendments/modifications as may become necessary, whether before or after the Effective Date, shall, subject to obtaining the sanction of the Tribunal if necessary, vest with the Board of Directors of the respective Companies, which power shall be exercised reasonably in the best interests of the Companies and their respective shareholders.

### **3.6. Severability**

- 3.6.1. If any part of this Scheme is invalid, ruled illegal by any court of competent jurisdiction, or unenforceable under present or future Law, then it is the intention of the Companies that such part shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to the Companies, then in such case the Companies shall attempt to bring about a modification in the Scheme, as will best preserve for



the Companies the benefits and obligations of the Scheme, including but not limited to such part.

- 3.6.2. If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the mutual agreement of the Companies, affect the validity or implementation of the other parts and/or provisions of this Scheme.

**3.7. No cause of action**

- 3.7.1. No third party claiming to have acted or changed its position in anticipation of this Scheme taking effect, shall get any cause of action against the respective Companies or their respective directors or officers, if the Scheme does not take effect or is withdrawn, amended or modified for any reason whatsoever.

**3.8. Effect of Non-Receipt of Approvals; Withdrawal**

- 3.8.1. In the event of any of the said confirmations/sanctions and approvals as set out in Clause 3.3 of this Scheme not being obtained and/or the Scheme not being confirmed/sanctioned by the Tribunal, the Scheme shall become null and void and the Companies shall bear and pay their respective costs, charges and expenses for and/or in connection with the Scheme.

- 3.8.2. The Companies, acting through their respective Board of Directors, may mutually agree in writing to withdraw this Scheme from the Tribunal.

**3.9. Costs and Expenses**

- 3.9.1. All costs, duties, levies, fees, charges and expenses payable by the Companies in relation to or in connection with the Scheme and/or incidental to the completion of the Scheme shall be borne and paid by the Transferee Company.

