

**COMPOSITE SCHEME OF ARRANGEMENT**

**UNDER CHAPTER XV OF THE COMPANIES ACT, 2013**

**AMONGST**

**APOLLO HOSPITALS ENTERPRISE LIMITED                      AHEL / DEMERGED COMPANY**

**APOLLO HEALTHCO LIMITED    TRANSFEROR COMPANY 1**

**KEIMED PRIVATE LIMITED    TRANSFEROR COMPANY 2**

**APOLLO HEALTHTECH LIMITED    RESULTANT COMPANY**

**AND**

**THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS**



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## PART-I

### 1. OVERVIEW, OBJECTIVES AND BENEFITS OF THIS SCHEME

#### 1.1. Brief overview of each of the companies involved in this Scheme

##### 1.1.1. Apollo Hospitals Enterprise Limited ("AHEL" or "Demerged Company")

- (i) AHEL is a public limited company incorporated under the Companies Act, 1956 and has its registered office at 19 Bishop Gardens R A Puram, Chennai, Tamil Nadu, India, 600028. The equity shares of AHEL are listed on the Stock Exchanges.
- (ii) AHEL was incorporated on December 05, 1979 with the Registrar of Companies, Chennai. The Corporate Incorporation Number of AHEL is L85110TN1979PLC008035. The Permanent Account Number of AHEL is AAACA5443N.
- (iii) The main objects of AHEL, as provided in its Memorandum of Association, are:

*"1. To undertake, promote, assist or engage in all kinds of research and development work required to promote, assist or engage in setting up hospitals and facilities for manufacturing medical equipment.*

*2. To carry on the business of design, construction and running of all kinds of hospitals, dispensaries, clinics, laboratories and health clubs.*

*3. To design, manufacture, import, export, buy, sell, install, maintain and improve all kinds of equipment and instrumentation for hospitals, dispensaries, clinics, laboratories and health clubs.*

*4. To set up laboratories, purchase and acquire any equipment and instruments required for carrying out medical research.*

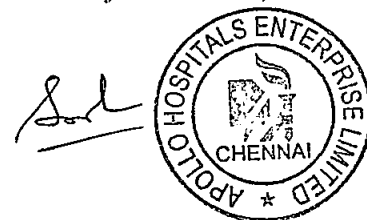
*5. To educate and train medical students, nurses, midwives, Doctors, Para-medical Technicians, other medical professionals and hospital administrators and to grant such diplomas or recognitions as the company may prescribe or deem fit from time to time and to outsource and place the Nurses, Doctors, Para-Medical Technicians and other medical professionals to clients in India and abroad on contractual / non-contractual basis.*

*6. To buy, sell, manufacture, import, export, treat and deal in any kind of pharmaceuticals, chemicals, medicines and drugs.*

*7. To grant stipends, scholarships or any other assistance, monetary or otherwise to whomsoever to further the course of medicine and / or medical research.*

*8. To undertake to provide suitable hotel accommodation primarily for patients and their friends and relatives and to undertake all or any of the business activities incidental thereto.*

*9. To carry on in India and elsewhere all or any of the business of hoteliers and restaurateurs, caterers, cab owners and hirers, pharmacy and drug house owners, travel agents, provisions and general merchants, theatre owners, proprietors of art saloons,*



*beauty parlours, shopping arcades, health clubs and clubs dealing in sports, art and entertainment activities including music dance and drama, and any other business which can be conveniently and efficiently carried on in connection therewith.*

*10. To act as consultants and render technical and managerial services in the field of medical research and running of multi-speciality hospitals, dispensaries, clinics, laboratories and health clubs."*

1.1.2. Apollo Healthco Limited ("Transferor Company 1")

- (i) Transferor Company 1 is a public unlisted company incorporated under the Act and has its registered office at 19 Bishop Gardens R A Puram, Chennai, Tamil Nadu, India, 600028.
- (ii) Transferor Company 1 was incorporated on June 16, 2020 with the Registrar of Companies, Chennai. The Corporate Identification Number of Transferor Company 1 is U85110TN2020PLC135839. The Permanent Account Number of Transferor Company 1 is AATCA5622L.
- (iii) The main objects of Transferor Company 1, as provided in its Memorandum of Association, are:

*"1. To carry on in India and/ or outside India the business of rendering technology lead healthcare services to help people manage their health and health data whenever and wherever and enable the patients to connect with the doctors at any time, provide unique ways of delivering health management and condition management solutions for all types of healthcare related issues through the use of online technology platforms of all kinds.*

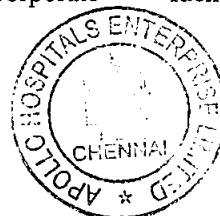
*2. To carry on in India or outside India the business of dealing, buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, distributing, marketing, supplying and to act as trader, wholesaler, C&F agent, distributor, representative, franchiser, consultant, collaborator, stockist, export house in all types and grades of healthcare, personal care, pharmaceuticals, ayurvedic, siddha, allopathic, unani and other alternative medicines, fast moving consumer goods, nutraceuticals, health foods, medical devices, disinfectants, surgicals and to deal in any of the above activities through a technology/ online platform/ applications or otherwise, both in internal and external markets.*

*3. To act as corporate agents for life insurance, general insurance and health insurance as defined under Insurance Regulatory and Development Authority Act 1999.*

*4. To engage in all activities which are incidental and allied or related to the insurance business."*

1.1.3. Keimed Private Limited ("Transferor Company 2")

- (i) Transferor Company 2 is a private limited company incorporated under the Companies Act, 1956 and has its registered office at 19 Bishop Gardens R A Puram, Chennai, Tamil Nadu, India, 600028.
- (ii) Transferor Company 2 was incorporated on March 10, 2000 with the Registrar of Companies, Hyderabad, with Corporate Identification Number



U72200TG2000PTC033837. The registered office of Transferor Company 2 was subsequently shifted from Hyderabad to Chennai, and the present Corporate Incorporation Number of Transferor Company 2 is U72200TN2000PTC179280. The Permanent Account Number of Transferor Company 2 is AABCK4532F.

- (iii) The main objects of Transferor Company 2, as provided in its Memorandum of Association, are:

*"1. To carry on the business of producers, processors, exporters, importers, distributors, traders, merchants, dealers, representatives, selling agents, wholesalers, retailers, suppliers and stockists in proprietary medicines, common medicinal preparations, vitamin preparations, drops, tonics, other liquid drugs and medicines, injections, tablets, capsules, lotions, ointments, cosmetic and toilet requisites, medicinal preparations containing antibiotics, creams and powders, surgical consumables, scientific apparatus and equipment for hospitals, fast moving consumer products(FMCG) and including all types of organic and inorganic chemicals and bulk drugs.*

*2. To carry on the business of vialling, bottling, packing, repacking and of capsules, syrups, tablets, injectables, aerosols and ointments.*

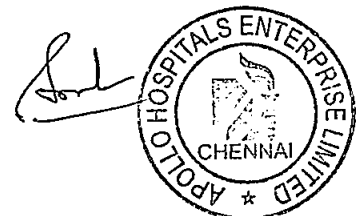
*3. To carry on E-Commerce supply chain management, through Internet for medical, surgical and other hospital related materials such as drugs, chemicals, surgical disposables, instruments, equipment and other related items for hospitals, retail pharmacies, Government and other private organizations."*

1.1.4. Apollo Healthtech Limited ("Resultant Company")

- (i) Resultant Company is a public limited company incorporated under the Act and has its registered office at 19 Bishop Gardens, Raja Annamalaipuram, Chennai, Tamil Nadu, India, 600028.
- (ii) Resultant Company was incorporated on May 15, 2025 with the Registrar of Companies, Chennai, having Corporate Incorporation Number U63122TN2025PLC180534. The Permanent Account Number of Resultant Company is ABCCA9131A.
- (iii) The main objects of Resultant Company as provided in its Memorandum of Association are:

*"1. To carry on in India and / or outside India the business of rendering technology lead healthcare services to help people manage their health and health data whenever and wherever and enable the patients to connect with the Doctors any time, provide unique ways of delivering health management and condition management solutions for all types of healthcare related issues through the use of online technology platforms of all kinds.*

*2. To carry on in India or outside India the business of dealing, buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, distributing, marketing, supplying and to act as trader, wholesaler, C&F Agent, distributor, representative, franchiser, consultant, collaborator, stockist, export house in all types and grades of healthcare, personal care, pharmaceuticals, ayurvedic, siddha, allopathic, unaniand, other alternate medicines, fast moving consumer goods, nutraceuticals, health foods, medical devices, disinfectants, surgicals and to deal in any of the above activities*



*through a technology/ online platform/ applications or otherwise, both in internal and external markets."*

## 1.2. Benefits and Objectives of this Scheme

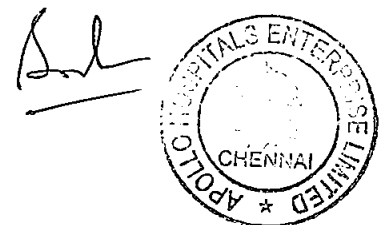
1.2.1. Pursuant to and under the provisions of Sections 230 to 232 of the Act (*as defined below*) and other relevant provisions of the Act in the manner provided for in this Scheme and in compliance with the provisions of IT Act (*as defined below*), the companies involved in this Scheme propose to, through this Scheme:

- (i) demerge the Identified Business Undertaking (*as defined below*) from AHEL into Resultant Company on a going concern basis, with effect from the Appointed Date (*as defined below*);
- (ii) subsequent to the demerger set out in Clause 1.2.1(i), merge and amalgamate Transferor Company 1 into and with Resultant Company, with effect from the Appointed Date;
- (iii) subsequent to the demerger set out in Clause 1.2.1(i) and the merger set out in Clause 1.2.1(ii), merge and amalgamate Transferor Company 2 into and with Resultant Company, with effect from the Appointed Date; and
- (iv) undertake various other matters incidental, consequential or otherwise integrally connected therewith;

1.2.2. This Scheme is segregated into the following 9 (nine) parts:

- (i) Part-I sets forth the overview, objectives and benefits of this Scheme;
- (ii) Part-II sets forth the capital structure of each of the companies involved in this Scheme;
- (iii) Part-III deals with the demerger of the Identified Business Undertaking of AHEL into Resultant Company, in accordance with Section 2(19AA) of the IT Act and Chapter XV of the Act;
- (iv) Part-IV deals with the Residual Undertaking of AHEL;
- (v) Part-V deals with amalgamation of Transferor Company 1 into and with Resultant Company, in accordance with Section 2(1B) of the IT Act and Chapter XV of the Act;
- (vi) Part-VI deals with amalgamation of Transferor Company 2 into and with Resultant Company, in accordance with Section 2(1B) of the IT Act and Chapter XV of the Act;
- (vii) Part-VII deals with the listing of the equity shares of Resultant Company on the Stock Exchanges (*as defined below*);
- (viii) Part-VIII deals with the Management Incentive Arrangement (*as defined below*); and
- (ix) Part-IX deals with the general terms and conditions applicable to this Scheme.

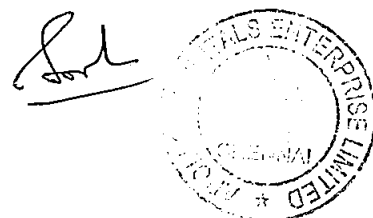
This Scheme also provides for various other matters that are consequential or otherwise integrally connected with the aforementioned.



1.2.3. The Board of Directors of each of the companies involved in this Scheme have determined and believe that this Scheme is commercially viable, feasible, fair, reasonable and in the best interest of the stakeholders of each of such companies, *inter alia*, for the reasons set out below:

- (i) Demerged Company is one of the leading healthcare service providers in India and is engaged in various healthcare services, including the business activities of the Identified Business Undertaking, which is carried on by Demerged Company directly and through its subsidiary, Transferor Company 1;
- (ii) The Scheme would enable carving-out of the Identified Business Undertaking, which is distinct from other businesses undertaken by Demerged Company, and necessitates a differentiated strategy aligned to its industry specific risks, market dynamics, and growth trajectory. The demerger of the Identified Business Undertaking into Resultant Company will enable both AHEL and Resultant Company to focus on their respective businesses, efficient management, and control and to exploit business opportunities more efficiently and effectively;
- (iii) The Scheme would also result in consolidation of pharmacy distribution business of Transferor Company 1 and Transferor Company 2, in an independent company focusing exclusively on digital health and pharmacy distribution, enabling synergies;
- (iv) The Scheme would enable creation of a separate vehicle, thereby enabling exclusive focus on sector specific opportunities, operational efficiency, costs rationalisation, streamlining statutory compliances, and optimal allocation and utilization of resources for all stakeholders;
- (v) The Scheme is expected to enable Resultant Company to build a wider capital and financial base, by attracting a different set of investors, strategic partners, lenders and stakeholders, as well as promoting overall business growth;
- (vi) Integration of supply chain, achieving higher availability and larger assortment of products;
- (vii) Improved transparency in the supply chain preventing the entry of counterfeit or substandard medicines into the ecosystem;
- (viii) Better administrative efficiency;
- (ix) Ability to leverage financial and operational resources; and
- (x) Enhanced managerial and board focus, costs rationalisation, and achieving business integration and economies of scale.

1.2.4. The Board of Directors of each of the companies involved in this Scheme have deliberated on this Scheme and have passed appropriate resolutions, including authorising their representatives to sign and file appropriate applications or petitions with, *inter alia*, the NCLT (*as defined below*) which is the appropriate authority for each of the companies involved in this Scheme, for the approval and sanction of this Scheme. The Boards of each of the companies involved in this Scheme have also noted that this Scheme shall increase shareholder value, and is in the best interest of their respective shareholders, creditors and employees. The demerger and amalgamations contemplated in this Scheme shall have no adverse implication for AHEL, the public shareholders of AHEL, Transferor

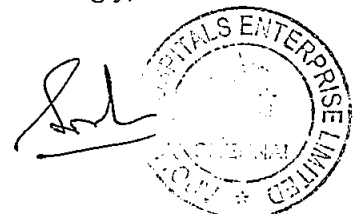


Company 1 and its shareholders, Transferor Company 2 and its shareholders and/or Resultant Company.

### 1.3. Definitions

In this Scheme, unless repugnant to the subject, context or meaning thereof, the following capitalised words and expressions shall have the meanings as set out herein below:

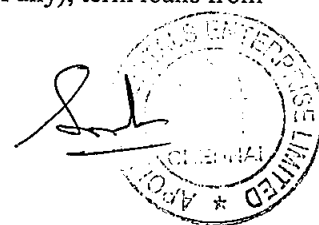
- 1.3.1. “**Act**” means the Companies Act, 2013 and any rules, regulations, notifications and clarifications made thereunder, and shall include, in each case, any amendment, modification or re-enactment thereof;
- 1.3.2. “**AHEL Eligible Shareholders**” has the meaning assigned to such term in Clause 3.7.2;
- 1.3.3. “**AHEL**” or “**Demerged Company**” has the meaning assigned to it in Clause 1.1.1. It being clarified that, for the purposes of Part IV of this Scheme, all references to AHEL shall be construed as references to AHEL *after* the effectiveness of the demerger as contemplated in Part III of this Scheme;
- 1.3.4. “**AHL ESOP(s)**” has the meaning assigned to such term in Clause 5.3(i);
- 1.3.5. “**AHL Promoter**” has the meaning assigned to such term in Clause 8.1;
- 1.3.6. “**Appointed Date**” means the Effective Date, being the date from which each of Part III, Part V, and Part VI of this Scheme shall be deemed to be effective;
- 1.3.7. “**Board of Directors**” or “**Board**” means the respective board of directors of each of the companies involved in this Scheme;
- 1.3.8. “**BSE**” means BSE Limited, where the securities of AHEL are listed and, pursuant to the effectiveness of this Scheme, the securities of Resultant Company will be listed;
- 1.3.9. “**Demerger Consideration Shares**” has the meaning assigned to such term in Clause 3.7.3;
- 1.3.10. “**Demerger Share Entitlement Ratio**” has the meaning assigned to such term in Clause 3.7.3;
- 1.3.11. “**Effective Date**” has the meaning assigned to such term in Clause 9.1.1. Any references in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” and other similar phrases means and refers to the Effective Date;
- 1.3.12. “**Encumbrance**” means: (i) any options, equitable interest, claim, pre-emptive right, easement, limitation, attachment, restraint, mortgage, charge (whether fixed or floating), pledge, lien, negative lien, power of attorney (conferring power to create charge or security), agreement to create charge or security, any contractual restriction on ability to dispose assets, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance or interest of any kind, securing or conferring any priority of payment in respect of any obligation of any person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under applicable law; (ii) a contract to give or refrain from giving any of the foregoing; (iii) any voting agreement, beneficial ownership, right of first offer/ refusal or transfer restriction in favour of any person; and (iv) any adverse claim as to title, possession or use; and the term ‘to Encumber’ shall be construed accordingly;



1.3.13. “**Identified Business Undertaking**” means: (A) the omni channel pharmacy distribution business, being the business of procurement of pharmaceutical and other wellness products and wholesale distribution of such products to pharmacies; and (B) the digital healthcare platform business, comprising: (i) business of development, operation and management of the Apollo 24/7 online platform, and (ii) telehealth business of AHEL, consisting of: (a) providing 24\*7 tele-emergency services, including specialist teleconsultation services and primary healthcare services at tele-emergency centres; (b) operating and maintaining mobile medical units / mobile health units; and (c) setting up, operating and maintaining digital dispensaries, in each case (as referred to in (a), (b) and (c) above), at government and corporate client sites, including in each case (as referred to in (A) and (B)), all the assets and property of AHEL, and all Liabilities of AHEL exclusively relating to, each of such businesses as immediately prior to this Scheme becoming effective, all of which constitutes the undertaking as a going concern.

It is clarified that the Identified Business Undertaking includes the following assets/Liabilities, which together constitute a business activity:

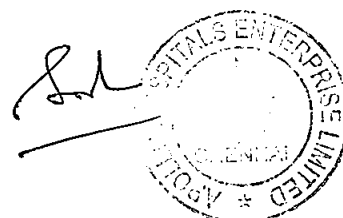
- (i) all licences, including as set out in **Schedule 2**, approvals (including in-principle approvals), permits (including licenses, approvals and permits granted by any governmental, statutory or regulatory bodies, any pending applications with any governmental, statutory or regulatory bodies, and all existing files and dossiers related to or supporting such licenses, approvals and permits), permissions, consents, exemptions, registrations, incentives receivable under applicable law or in terms of certain schemes or policies of the Government of India or any State Government, including in relation to any Taxes, no-objection certificates, quotas, rights, entitlements, certificates, benefit of any exemptions, privileges and benefits of all contracts, agreements and all other rights, memberships, powers and facilities of every kind and description whatsoever, in each case, exclusively pertaining to the Identified Business Undertaking;
- (ii) any and all assets and property exclusively relating to, or exclusively arising from, the activities and operations of the Identified Business Undertaking (whether movable or immovable, real or personal, corporeal or incorporeal, present, future, contingent, tangible or intangible), including (but not limited to) title and interests in connection with any land (together with the buildings and structures standing thereon), whether freehold or leasehold, exclusively relating to the Identified Business Undertaking, inventory plant and machinery, furniture, fixtures, equipment, computer software and licenses, appliances, accessories, vehicles, cash and bank balance, current assets, sundry debtors, all outstanding loans, deposits, provisions, advances, receivables, funds, leases and sub-leases of all kinds of property (other than as set out in Part A of **Schedule 1**), licences, tenancy rights, right of way, premises, hire purchase and lease arrangements, benefits of agreements, contracts and arrangements, rights to use and avail of telephones, telexes, facsimiles, e-mail, internet, leased line connections and installations, utilities, electricity and other services, consents, privileges, liberties, advantages, easements, exemptions, and all the rights, title, interests, benefits, entitlement and advantages, contingent rights or benefits, belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by AHEL, in each case, exclusively with respect to the Identified Business Undertaking and all other interests exclusively relating to the Identified Business Undertaking, but *excluding*, the Intellectual Property of AHEL as set out in Part B of **Schedule 1**;
- (iii) all Liabilities solely relating to, or solely arising out of the activities or operations of the Identified Business Undertaking, including loans and borrowings (if any), term loans from





banks and financial institutions (if any), and such Liabilities that have been raised, incurred and utilised solely for the activities or business or operation of the Identified Business Undertaking, bank overdrafts (if any), working capital loans and liabilities, guarantees, assurances and commitments, in each case, to the extent exclusively pertaining to the Identified Business Undertaking;

- (iv) Liabilities other than those referred to above, being the amounts of general or multipurpose borrowings of Demerged Company, if any, allocated to the Identified Business Undertaking, in the same proportion which the value of the assets transferred under this Scheme bear to the total value of the assets of AHEL immediately prior to giving effect to this Scheme;
- (v) all deposits and balances with government, quasi-government, local and other authorities and bodies, customers and other persons, earnest monies and/or security deposits paid or received by AHEL solely in connection with and pertaining to the Identified Business Undertaking;
- (vi) any and all investments of all kinds, whether in dematerialised or physical form, relating solely to the Identified Business Undertaking (including equity shares held in Transferor Company 1), money at call and short notice, loans, advances, contingent rights or benefits, securitised assets, receivables, benefits of assets or properties or other interest held in trust, benefit of any security arrangements, exclusively held for the benefit of, or exclusively enjoyed by, the Identified Business Undertaking;
- (vii) all records solely relating to the Identified Business Undertaking, including all current and historical books, records, reports and other documents and information that pertain to business plans, budgets, financial and accounting data, customers, suppliers, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records, research and development, devices and services, invoices, marketing and advertising operations, policies, procedures, techniques, systems, employee handbooks or manuals, training materials, operating manuals and documentation, and production manuals and documentation, in any form and on any support;
- (viii) the employees of AHEL who are solely related to and engaged in the business of the Identified Business Undertaking including all staff, workmen and employees of AHEL employed solely in connection with or proposed to be reassigned to a position solely in relation to the Identified Business Undertaking (which for the avoidance of doubt shall not include the doctors and paramedical staff employed by AHEL) ("**Identified Employees**"), including gratuity, employee insurance, provident fund contribution, superannuation benefits, any other Liabilities, employee welfare benefits and applicable collective bargaining agreements (if any), associated with such Identified Employees;
- (ix) all insurance policies obtained exclusively in relation to the assets, employees or operations of the Identified Business Undertaking by AHEL, whether or not updated to include Resultant Company;
- (x) All Intellectual Property, exclusively in relation to the Identified Business Undertaking of AHEL, excluding, for the avoidance of doubt, Intellectual Property as set out in Part B of **Schedule 1**;



- (xi) all contracts, agreements, leases (other than as set out in Part A of **Schedule 1**), memoranda of undertakings, memoranda of agreements, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, service agreements, sales orders, purchase orders or other instruments of whatsoever nature, to which AHEL is a party and exclusively relating to the Identified Business Undertaking;
- (xii) all bank accounts, demat accounts, escrow accounts and nodal accounts operated by AHEL relating exclusively to the Identified Business Undertaking;
- (xiii) all suits, appeals, arbitrations, legal or other proceedings of whatever nature, (including before any statutory or quasi-judicial authority, or NCLT) exclusively relating to the Identified Business Undertaking (including as set out in **Schedule 3**);

1.3.14. “**Identified Employees**” has the meaning assigned to such term in Clause 1.3.13 (viii);

1.3.15. “**INR**” means Indian Rupees, the lawful currency of the Republic of India;

1.3.16. “**Intellectual Property**” means all intellectual property rights of any nature whatsoever, past, present, and future rights of the following types, which may exist or be created under the laws of any jurisdiction including:

- (i) rights in information (including know-how, knowledge, confidential information and trade secrets) and the right to use and protect the confidentiality of confidential information;
- (ii) trademarks, service marks, rights in logos, brand names, trade and business names, rights in each of trade dress and all associated goodwill, rights to sue for passing off and/or for unfair competition and domain names;
- (iii) copyright, moral rights and related rights, rights in computer software, database rights, and rights in designs;
- (iv) marketing authorization, approvals, marketing intangibles, permits, permissions, incentives, privileges, special status, designs, research and studies;
- (v) digital platforms, algorithms, domain names, applications (including hardware, software, licenses and scripts);
- (vi) lists of present and former customers and suppliers, other customer information and copies of employment information; and

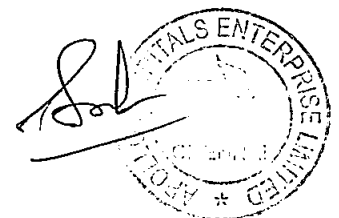
any other intellectual property rights in each case: (a) anywhere in the world; (b) whether unregistered or registered (including all applications, rights to apply and rights to claim priority); (c) whether owned, licensed or otherwise; (d) whether in physical or electronic form and (e) including all divisionals, continuations, continuations-in-part, reissues, extensions, re-examinations and renewals and the right to sue for damages for past and current infringement in respect of any of the same;

1.3.17. “**IT Act**” shall mean the Income Tax Act, 1961 and shall include any statutory modification, re-enactment thereof or amendments thereto from time to time and the rules and regulations made



thereunder;

- 1.3.18. **“Liabilities”** means all debts (whether in Indian rupees or a foreign currency), borrowings, liabilities (including contingent liabilities and obligations under any licenses or permits or schemes or claims from customers), debentures, loan raised and used, obligations incurred, duties of any kind, nature or description, undertakings of every kind or nature and the liabilities of any description whatsoever, whether fixed, contingent or absolute, whether secured or unsecured, asserted or unasserted, matured or unmatured, whether or not recorded in the books of accounts or disclosed in the balance sheet, whether present or future, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever and howsoever arising, raised or incurred or utilized (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability), along with any charge, Encumbrance, lien or security thereon;
- 1.3.19. **“NCLT”** with respect to the companies involved in this Scheme, means the National Company Law Tribunal Bench at Chennai;
- 1.3.20. **“New ESOP Plan”** means the employee stock option plan or other stock incentive scheme or benefit programme, to be formulated and established by Resultant Company, in accordance with applicable law, prior to or upon coming into effect of this Scheme;
- 1.3.21. **“NSE”** means the National Stock Exchange of India Limited, where the securities of AHEL are listed and, pursuant to the effectiveness of this Scheme, the securities of Resultant Company will be listed;
- 1.3.22. **“Rasmeli”** has the meaning assigned to such term in Clause 8.1;
- 1.3.23. **“Record Date 1”** has the meaning assigned to such term in Clause 3.7.1 of this Scheme;
- 1.3.24. **“Record Date 2”** has the meaning assigned to itsuch term in Clause 5.5.1 of this Scheme;
- 1.3.25. **“Record Date 3”** has the meaning assigned to such term in Clause 6.4.1 of this Scheme;
- 1.3.26. **“Registrar”** means, in respect of each of AHEL, Transferor Company 1, Transferor Company 2 and Resultant Company, the Registrar of Companies, Chennai;
- 1.3.27. **“Residual Undertaking”** means all the remainder undertakings, businesses, activities and operations of Demerged Company other than the Identified Business Undertaking, and includes all the assets and property of, and all Liabilities relating to, such undertakings, businesses, activities and operations, including such Intellectual Property of AHEL and agreement(s) as set out in Schedule 1;
- 1.3.28. **“Resultant Company Promoters”** means the ‘promoters’ of Resultant Company, as such term is defined under Regulation 2(oo) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. For avoidance of doubt, Resultant Company Promoters shall not include AHEL;
- 1.3.29. **“Resultant Company Shares”** means fully paid-up equity shares of Resultant Company, having face value of INR 2 (Indian Rupees Two only) per equity share;
- 1.3.30. **“Resultant Company”** has the meaning ascribed to the term in Clause 1.1.4, it being clarified that, for the purposes of: (i) Part III of this Scheme, all references to Resultant Company shall be



construed as references to Resultant Company as existing immediately prior to the demerger of the Identified Business Undertaking into Resultant Company, in accordance with this Scheme; (ii) Part IV of this Scheme, all references to Resultant Company shall be construed as references to Resultant Company as existing upon the demerger of the Identified Business Undertaking into Resultant Company, but prior to the amalgamation of Transferor Company 1 into and with Resultant Company, in each case, in accordance with this Scheme, (iii) Part VI of this Scheme, all references to Resultant Company shall be construed as references to Resultant Company as existing upon the demerger of the Identified Business Undertaking into Resultant Company, *and* the amalgamation of Transferor Company 1 into and with Resultant Company but *prior* to the amalgamation of Transferor Company 2 into and with Resultant Company, in each case, in accordance with this Scheme, and (iv) Part VII of this Scheme, all references to Resultant Company shall be construed as references to Resultant Company as existing upon the demerger of the Identified Business Undertaking into Resultant Company, the amalgamation of Transferor Company 1 into and with Resultant Company *and* the amalgamation of Transferor Company 2 into and with Resultant Company, in each case, in accordance with this Scheme;

- 1.3.31. **"Rights Issue Shares"** means 9,95,50,000 (Nine Crore Ninety Five Lakh Fifty Thousand) equity shares of Resultant Company to be offered to the equity shareholders of Resultant Company by way of a Rights Issue;
- 1.3.32. **"Rights Issue Subscription Amount"** means INR 19,91,00,000 (Indian Rupees Nineteen Crore Ninety One Lakh only), being the aggregate consideration to be paid by such equity shareholders of Resultant Company who subscribe to the Rights Issue Shares;
- 1.3.33. **"Sanction Order"** means the order of the NCLT sanctioning this Scheme;
- 1.3.34. **"Scheme"** means this composite scheme of amalgamation and arrangement, pursuant to Chapter XV and other relevant provisions of the Act, with such modifications and amendments as may be made from time to time with the appropriate approvals and sanctions of the NCLT and other relevant regulatory authorities, including SEBI;
- 1.3.35. **"SEBI Circular"** means circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20 June 2023 issued by SEBI and any other circulars issued by SEBI applicable to schemes of arrangement, from time to time;
- 1.3.36. **"SEBI"** means the Securities and Exchange Board of India;
- 1.3.37. **"Stock Exchanges"** means BSE and NSE;
- 1.3.38. **"Tax Laws"** means all applicable laws dealing with Taxes including but not limited to income-tax, wealth tax, sales tax / value added tax, service tax, Goods and Services Tax ("**GST**"), excise duty, customs duty or any other levy of similar nature;
- 1.3.39. **"Taxation"** or "**Tax**" or "**Taxes**" means all forms of direct and indirect taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, GST or otherwise and shall further include payments in respect of or on account of Tax, whether by way of tax deduction at source ("**TDS**"), collection at source, dividend distribution tax, advance tax, minimum alternate tax, equalization levy, payroll, levies, imposts, excise, customs, legal transaction taxes, professional tax, GST or otherwise or attributable directly or primarily to any of the companies involved in this Scheme or any other person and all

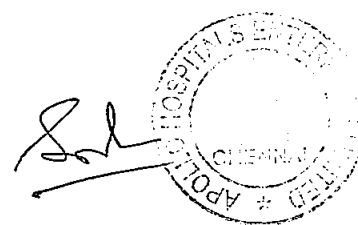


penalties, surcharges, cess, fines, charges, costs and interest relating thereto;

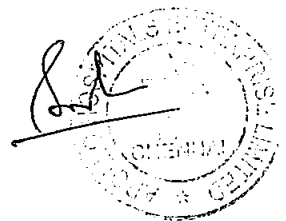
- 1.3.40. **“Transferor Company 1 Eligible Shareholders”** has the meaning assigned to such term in Clause 5.5.2;
- 1.3.41. **“Transferor Company 1 ESOP Plan”** means the ‘AHL – Equity based Incentive Plan 2022’ of Transferor Company 2, as amended and extended from time to time;
- 1.3.42. **“Transferor Company 1 Merger Consideration Shares”** has the meaning assigned to such term in Clause 5.5.3;
- 1.3.43. **“Transferor Company 1 Merger Share Entitlement Ratio”** has the meaning assigned to such term in Clause 5.5.3;
- 1.3.44. **“Transferor Company 1”** has the meaning assigned to it in Clause 1.1.2;
- 1.3.45. **“Transferor Company 2 Eligible Shareholders”** has the meaning assigned to such term in Clause 6.4.1;
- 1.3.46. **“Transferor Company 2 Merger Consideration Shares”** has the meaning assigned to such term in Clause 6.4.2;
- 1.3.47. **“Transferor Company 2 Merger Share Entitlement Ratio”** has the meaning assigned to such term in Clause 6.4.2;
- 1.3.48. **“Transferor Company 2”** has the meaning assigned to such term in Clause 1.1.3; and
- 1.3.49. **“Trustee”** has the meaning assigned to such term in Clause 3.8.3.

#### 1.4. Interpretation

- 1.4.1. Terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the IT Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory modification or re-enactment thereof, from time to time.
- 1.4.2. In this Scheme, unless the context otherwise requires:
- (i) references to “persons” shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
  - (ii) the headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
  - (iii) references to one gender includes all genders;
  - (iv) words in the singular shall include the plural, and *vice versa*;
  - (v) percentages have been rounded off up to two decimal places;
  - (vi) the term “Clause” refers to the specified clause of this Scheme;



- (vii) any reference to a legislation or statute includes: (a) any subordinate legislation, regulations and rules made and notifications issued thereunder; and (b) any alterations, modifications and amendments made thereto or any re-enactment thereof;
- (viii) the words “including”, “include” or “includes” are interpreted in a manner as though the words “*without limitation*” immediately follows the same;
- (ix) Schedules form part of this Scheme, and shall have the same force and effect as if expressly set out in the body of this Scheme; and
- (x) where a wider construction is possible, the words “other” and “otherwise” shall not be construed *ejusdem generis* with any foregoing words.



**PART-II**

**2. CAPITAL STRUCTURE**

**2.1. Pre-Scheme Capital Structure**

**2.1.1. Apollo Hospitals Enterprise Limited**

(i) The capital structure of Demerged Company as of June 27, 2025 is as under:

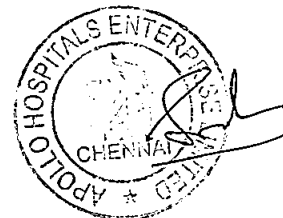
Share Capital	Amount in INR
<b>Authorised Capital</b>	
200,000,000 equity shares of INR 5 each; and 10,00,000 preference shares of INR 100 each	1,10,00,00,000
<b>Total</b>	<b>1,10,00,00,000</b>
<b>Issued Share Capital</b>	
144,317,675 equity shares of INR 5 each	72,15,88,375
<b>Subscribed and Paid-up Share Capital</b>	
143,784,657 equity shares of INR 5 each	71,89,23,285
<b>Total</b>	<b>71,89,23,285</b>

(ii) The equity shares of Demerged Company are listed on the Stock Exchanges.

**2.1.2. Apollo Healthco Limited**

(i) The capital structure of Transferor Company 1 as of June 27, 2025 is as under:

Share Capital	Amount in INR
<b>Authorised Capital</b>	
45,00,00,000 equity shares of INR 10 each	4,50,00,00,000
14,85,00,000 Class A fully and compulsorily convertible non-cumulative participating preference shares of INR 100 each	14,85,00,00,000
9,90,00,000 Class B fully and compulsorily convertible non-cumulative participating preference shares of INR 100 each	9,90,00,00,000
<b>Total</b>	<b>29,25,00,00,000</b>



**Issued, Subscribed and Paid-up Share Capital**

41,11,99,477 equity shares of INR 10 each*	4,11,19,94,770
14,85,00,000 Class A fully and compulsorily convertible non-cumulative participating preference shares of INR 100 each	14,85,00,00,000
9,90,00,000 Class B fully and compulsorily convertible non-cumulative participating preference shares of INR 100 each	9,90,00,00,000
<b>Total</b>	<b>28,86,19,94,770</b>

*\*The issued, subscribed and paid-up share capital of Transferor Company 1 does not include the employee stock options pool consisting of 20,242,390 equity shares of Transferor Company 1 (which have not been issued as on June 27, 2025).*

(ii) The securities of Transferor Company 1 are not listed on any Stock Exchanges.

**2.1.3. Keimed Private Limited**

(i) The capital structure of Transferor Company 2 as of June 27, 2025 is as under:

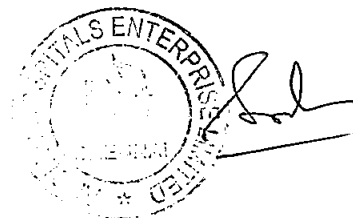
Share Capital	Amount in INR
<b>Authorised Capital</b>	
6,20,10,000 equity shares of INR 10 each	62,01,00,000
<b>Total</b>	<b>62,01,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
68,72,937 equity shares of INR 10 each	6,87,29,370
<b>Total</b>	<b>6,87,29,370</b>

(ii) The equity shares of Transferor Company 2 are not listed on any Stock Exchanges.

**2.1.4. Apollo Healthtech Limited**

(i) The capital structure of Resultant Company as of June 27, 2025 is as under:

Share Capital	Amount in INR
<b>Authorised Capital</b>	
2,50,00,000 equity shares of INR 2 each	5,00,00,000
<b>Total</b>	<b>5,00,00,000</b>





**Issued, Subscribed and Paid-up Share Capital**

4,50,000 equity shares of INR 2 each	9,00,000
<b>Total</b>	<b>9,00,000</b>

- (ii) Resultant Company is a wholly owned subsidiary of AHEL. AHEL and its nominees (for the purposes of ensuring compliance with the provisions of the Act, which requires a public limited company to have at least 7 (seven) shareholders) legally and beneficially hold 100% (one hundred per cent.) equity shares in Resultant Company.
- (iii) The equity shares of Resultant Company are presently not listed on any Stock Exchanges. An application shall be made with the Stock Exchanges for listing of equity shares of Resultant Company upon effectiveness of this Scheme, as mentioned in Part VII of this Scheme.

**2.2. Post-Scheme Capital Structure****2.2.1. Apollo Hospitals Enterprise Limited**

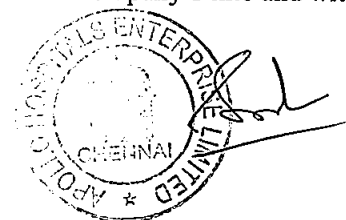
- (i) The expected capital structure of AHEL immediately post demerger of the Identified Business Undertaking from AHEL into Resultant Company, is as follows:

<b>Share Capital</b>	<b>Amount in INR</b>
<b>Authorised Capital</b>	
20,00,00,000 equity shares of INR 5 each; and 10,00,000 preference shares of INR 100 each	1,10,00,00,000
<b>Total</b>	<b>1,10,00,00,000</b>
<b>Issued Share Capital</b>	
14,43,17,675 equity shares of INR 5 each	72,15,88,375
<b>Subscribed and Paid-up Share Capital</b>	
14,37,84,657 equity shares of INR 5 each	71,89,23,285
<b>Total</b>	<b>71,89,23,285</b>

- (ii) The equity shares of AHEL will continue to be listed on the Stock Exchanges.

**2.2.2. Apollo Healthtech Limited**

- (i) The expected capital structure of Resultant Company post issuance and allotment of the Rights Issue Shares but *prior* to: (a) demerger of the Identified Business Undertaking from AHEL into Resultant Company, (b) amalgamation of Transferor Company 1 into and with



Resultant Company, and (c) the amalgamation of Transferor Company 2 into and with Resultant Company, is as follows:

Share Capital	Amount in INR
<b>Authorised Capital*</b>	
2,50,00,000 equity shares of INR 2 each	5,00,00,000
<b>Total</b>	<b>5,00,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
10,00,00,000 equity shares of INR 2 each	20,00,00,000
<b>Total</b>	<b>20,00,00,000</b>

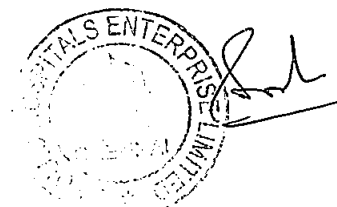
*\*The authorised share capital of Resultant Company shall be increased by Resultant Company to permit the issue of the Rights Issue Shares and Demerger Consideration Shares.*

- (ii) The expected capital structure of Resultant Company immediately post the demerger of the Identified Business Undertaking from AHIL into Resultant Company, amalgamation of Transferor Company 1 into and with Resultant Company and the amalgamation of Transferor Company 2 into and with Resultant Company, is as follows:

Share Capital	Amount in INR
<b>Authorised Capital*</b>	
14,96,00,50,000 equity shares of INR 2 each	29,92,01,00,000
<b>Total</b>	<b>29,92,01,00,000</b>
<b>Issued, Subscribed and Paid-up Share Capital**</b>	
66,68,95,496 equity shares of INR 2 each	1,33,37,90,992
<b>Total</b>	<b>1,33,37,90,992</b>

*\*The authorised share capital of Resultant Company shall be increased by Resultant Company to permit the issue of the Rights Issue Shares and Demerger Consideration Shares.*

*\*\*The issued, subscribed and paid-up share capital of Resultant Company is subject to minor variations on account of any of the Demerger Consideration Shares, Transferor Company 1 Merger Consideration Shares, or Transferor Company 2 Merger Consideration Shares issued to the relevant shareholders in terms of this Scheme being fractional numbers (it being clarified that such fractional entitlements shall be dealt with in the manner provided in this Scheme).*



### PART-III

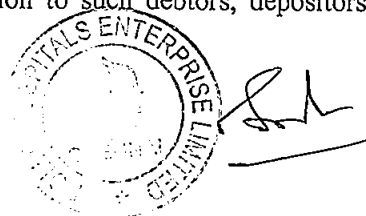
#### 3. DEMERGER OF THE IDENTIFIED BUSINESS UNDERTAKING

##### 3.1. Transfer and vesting of the Identified Business Undertaking from AHEL to Resultant Company

3.1.1. With effect from the Appointed Date and upon this Scheme becoming effective, the Identified Business Undertaking of AHEL shall stand transferred to, and vest in, Resultant Company as a going concern, without any further act or deed, and shall be demerged from AHEL subject to, and in accordance with, the provisions of this Scheme, Sanction Order, Chapter XV of the Act, Section 2(19AA) and Section 47 of the IT Act and all other applicable provisions of law. For the avoidance of doubt, the Residual Undertaking shall continue to belong to, be vested in, and be managed by, AHEL.

3.1.2. Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, with effect from the Appointed Date and upon this Scheme becoming effective:

- (i) all assets of AHEL pertaining solely to the Identified Business Undertaking, whether tangible or intangible, movable in nature or are otherwise capable of transfer by physical or constructive delivery, and/or by endorsement and delivery, or by vesting and recordal, of whatsoever nature, wherever located, whether or not included in the books of AHEL and exclusively pertaining to the Identified Business Undertaking including the equity shares of Transferor Company 1 held by AHEL, equipment, furniture, fixtures, books, records, files, papers, computer programs, engineering and process information, manuals, data, production methodologies, production plans, catalogues, quotations, websites, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form or in any other form, but *excluding* any Intellectual Property of AHEL as set out in Part B of **Schedule 1**, shall, pursuant to this Scheme, stand transferred to and vested in, and/or be deemed to be transferred to and vested in, Resultant Company without any further act, instrument or deed and shall become the property, and an integral part, of Resultant Company. The vesting shall be deemed to have occurred by physical or constructive delivery, by endorsement and delivery, by delivery instructions in relation to dematerialized shares, and/or by vesting and recordal, pursuant to the effectiveness of this Scheme, as appropriate to the property being vested, and the title to such property shall be deemed to have been transferred accordingly.
- (ii) all other movable properties of AHEL solely pertaining to the Identified Business Undertaking, including actionable claims, sundry debtors, receivables, bank balances, outstanding loans and advances, credits (including Tax credits), advance tax, input tax credit relating to indirect taxes and any other Tax balances, recoverable in cash or in kind, investments, earnest money or deposits with government, quasi government, local or other authority or body or with any company or other person and cheques on hand, in each case, pertaining solely to the Identified Business Undertaking are deemed to be transferred to, and vested in, Resultant Company without any further act, instrument or deed (including any associated costs or charges) and shall become the property of Resultant Company, to the end and intent that the right of Demerged Company to recover or realize the same stands transferred to Resultant Company, and that appropriate entries shall be passed in respective books of Demerged Company and Resultant Company to record the aforesaid change, without any requirement for notice or other intimation to such debtors, depositors or

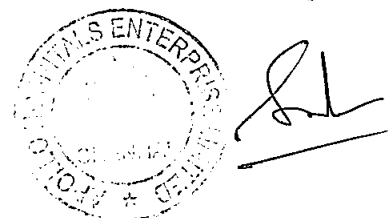


persons as the case may be. Resultant Company may, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such persons, that the said debt, receivable, credit, loan, advance or deposit stands transferred to and vested in Resultant Company and be paid or made good or held on account of Resultant Company as the person entitled thereto. It is hereby clarified that investments, if any, made by AHEL and exclusively pertaining to the Identified Business Undertaking (including equity shares held in Transferor Company 1) and all the rights, title and interest of AHEL exclusively pertaining to the Identified Business Undertaking in any leasehold properties (other than as set out in Part A of **Schedule 1**) shall, pursuant to Section 232 of the Act and the provisions of this Scheme, without any further act or deed, be transferred to and vested in and/or be deemed to have been transferred to and vested in Resultant Company, and/or be deemed to be demerged from AHEL and transferred to and vested in Resultant Company.

- (iii) all immovable properties (including estates, land, together with buildings and structures standing thereon), if any, of AHEL exclusively pertaining to the Identified Business Undertaking, and all rights, title, claims, interests and authorities accrued, acquired, or embedded to the land, in such immovable properties, whether freehold or leasehold (other than as set out in Part A of **Schedule 1**) or otherwise, and all documents of title, rights and easements in relation thereto, shall be vested in and/or be deemed to have been vested in Resultant Company, without any further act or deed done or being required to be done by AHEL and/or Resultant Company. Resultant Company shall be entitled to exercise all rights and privileges attached to such immovable properties, and shall be liable to pay the ground rent and Taxes and fulfil all obligations in relation to or applicable to such immovable properties upon this Scheme becoming effective. To facilitate any transfer of such immovable property of AHEL exclusively pertaining to the Identified Business Undertaking to Resultant Company, Resultant Company and AHEL shall take all the necessary steps including execution of such documents or deeds, as and when required. The mutation or substitution of the title to the immovable properties, if any, shall, upon this Scheme becoming effective, be made and duly recorded in the name of Resultant Company by the appropriate authorities pursuant to the Sanction Order and upon this Scheme becoming effective in accordance with the terms hereof, without any further act or deed to be done or executed by AHEL and/or Resultant Company. It is clarified that Resultant Company shall be entitled to engage in such correspondence and make such representations, as may be necessary, for the purposes of the aforesaid transfer, mutation and/or substitution. Each of the immovable properties described in this sub-clause (iii), only for the purposes of the payment of stamp duty (if required under applicable law), shall be deemed to be conveyed at a value determined in accordance with the applicable laws.

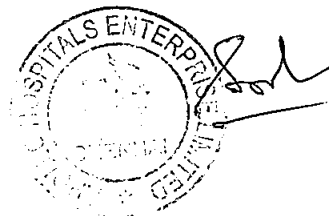
Notwithstanding any provision to the contrary, from the Effective Date and until the owned property, leasehold property (other than as set out in Part A of **Schedule 1**) and related rights thereto, license/right to use the immovable property, tenancy rights, liberties and special status, as applicable, solely pertaining to the Identified Business Undertaking are transferred, vested, recorded, and/or perfected, in the records of the appropriate authority, in favour of Resultant Company, Resultant Company is deemed to be authorised to carry on the business of the Identified Business Undertaking under the relevant agreement, deed, lease and/or licenses, as the case may be, and Resultant Company shall keep a record and/or account of such transaction.

- (iv) all Encumbrances over any moveable and/or immovable properties created/executed by any person in favour of AHEL exclusively for the purposes of the Identified Business Undertaking, or any other person acting on behalf of or for the benefit of AHEL pertaining



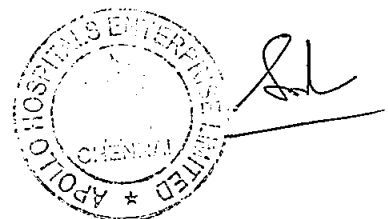
exclusively to the Identified Business Undertaking, for securing the obligations of the persons to whom AHEL has advanced loans and granted other funded and non-funded financial assistance, pertaining exclusively to the Identified Business Undertaking by way of letters of comfort or through other similar instruments shall, pursuant to the provisions of Section 232 of the Act and without any further act, instrument or deed, stand vested in and be deemed to be in favour of Resultant Company and the benefit of such security shall be available to Resultant Company as if such security was *ab initio* created in favour of Resultant Company. The mutation or substitution of the charge in relation to the movable and immovable properties of AHEL exclusively pertaining to the Identified Business Undertaking shall, upon this Scheme becoming effective, be made and duly recorded in the name of Resultant Company by the appropriate authorities and third parties (including any depository participants) pursuant to the Sanction Order and upon this Scheme becoming effective in accordance with the terms hereof.

- (v) all Intellectual Property of Demerged Company, exclusively pertaining to the Identified Business Undertaking (but excluding Intellectual Property as set out in Part B of **Schedule 1**) shall be transferred to, and vest in, or shall be deemed to have been transferred to and vested in Resultant Company.
- (vi) all the Liabilities of AHEL exclusively pertaining to the Identified Business Undertaking, to the extent that they are outstanding as on the Appointed Date, shall without any further act or deed, be and stand transferred to, and be deemed to be transferred to Resultant Company along with any Encumbrance relating thereto, on the same terms and conditions as were applicable to Demerged Company, and Resultant Company shall meet, discharge and satisfy the same to the exclusion of Demerged Company such that Demerged Company shall in no event be responsible or liable in relation to any such Liabilities of AHEL exclusively pertaining to the Identified Business Undertaking.
- (vii) Liabilities other than those referred to above, being the amounts of general or multipurpose borrowings of Demerged Company, if any, shall be allocated to the Identified Business Undertaking, in the same proportion which the value of the assets transferred under this Scheme bear to the total value of the assets of AHEL immediately prior to giving effect to this Scheme.
- (viii) the secured creditors of AHEL exclusively pertaining to the Identified Business Undertaking, if any, shall be entitled to security only in respect of the properties, assets, rights, benefits and interest of the Identified Business Undertaking, as existing immediately prior to the Effective Date and any reference in any security documents or arrangements to which AHEL is a party, wherein the assets of the Identified Business Undertaking have been or are offered or agreed to be offered as securities for any financial assistance or obligations, shall be construed as a reference to only the assets pertaining to the Identified Business Undertaking as are vested in Resultant Company in accordance with this Scheme, to the end and intent that pursuant to the effectiveness of this Scheme, the secured creditors of AHEL exclusively pertaining to the Identified Business Undertaking shall not be entitled to any additional security over the properties, assets, rights, benefits and interest of AHEL or Resultant Company, and hence such assets which are not Encumbered immediately prior to the Effective Date, shall remain free and available for creation of any security thereon in future in relation to any current or future indebtedness of AHEL or Resultant Company. Provided that: (a) if any of the assets comprised in the Identified Business Undertaking which are transferred to Resultant Company in accordance with this Scheme, have not been Encumbered in respect of the Liabilities transferred to Resultant



Company, such assets shall remain unencumbered and the existing Encumbrances of Resultant Company, if any, shall not be extended to, and shall not operate over such assets; and (b) the Encumbrances (if any) subsisting over and in respect of the assets or any part thereof of Resultant Company immediately prior to the Effective Date shall continue with respect only to such assets or part thereof and shall not be extended to, and shall not operate over any assets of Identified Business Undertaking. In so far as the assets comprised in the Identified Business Undertaking are concerned, the Encumbrances, if any, over such assets of the Identified Business Undertaking relating to any Liabilities which are not transferred to Resultant Company in accordance with this Scheme, shall without any act or deed be released from such Encumbrance and shall no longer be available as security in relation to such Liabilities. For this purpose, sanction of this Scheme by the secured creditors/ security holders shall be considered as a specific consent towards the same.

- (ix) all Tax benefits/ incentives/ concessions, losses, advantages, privileges, exemptions, benefits, subsidies, grants, tax credits, holidays, remissions, reductions *etc.* as would have been available to the Identified Business Undertaking, shall be available to Resultant Company.
- (x) all approvals (including in-principle approvals), consents, clearances, exemptions, registrations, no-objection certificates, permits (including municipal permits), quotas, rights, entitlements, licenses (including the licenses granted by, or any pending application made to, any governmental, statutory or regulatory bodies for the purpose of carrying on business or in connection therewith) and certificates of every kind and description whatsoever held by AHEL exclusively in relation to the Identified Business Undertaking including as set out in **Schedule 2**, and which are subsisting or having effect immediately prior to the Effective Date, all incentives, subsidies, claims, leases, tenancy rights, powers, liberties, facilities, allotments, insurance cover, authorities, privileges, affiliations, easements, rehabilitation schemes, tax deferrals, sanctions, remissions, special reservations, service-tax/ value added tax exemptions, GST exemptions/incentives, special status and other benefits or privileges and all rights and benefits thereto that have accrued to or enjoyed by or conferred upon or held or availed by AHEL, solely in relation to or in connection with the Identified Business Undertaking, shall, without any further act, instrument or deed, be transferred to and vest in or be deemed to have been transferred to and vested in, and be available to Resultant Company and may be enforced as fully and effectually as if, instead of AHEL, Resultant Company had been a party or beneficiary thereto. The concerned grantors of such licenses, permits, privileges, title, interests and authorities *etc.*, shall endorse, where necessary, and record, in accordance with applicable law, Resultant Company on such licenses, permits, privileges, title, interests and authorities *etc.* so as to facilitate the transfer and vesting of the Identified Business Undertaking in Resultant Company and continuation of operations forming part of the Identified Business Undertaking in Resultant Company without hindrance and such that such licenses, permits, privileges, title, interests and authorities, *etc.* shall remain in full force and effect in favour of or against Resultant Company, as the case may be, and Resultant Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to Resultant Company and may be enforced as fully and effectually as if, instead of AHEL, Resultant Company had been a party or recipient or beneficiary or obligee thereto.
- (xi) all contracts, deeds, bonds, agreements, schemes, arrangements, letters of intent, request for proposal, pre-qualifications, bid acceptances, tenders, and other instruments of AHEL including relating to tenancies, privileges, powers, pledge, facilities of every kind and



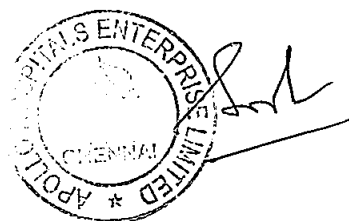
description of whatsoever nature, and which are subsisting or having effect immediately prior the Effective Date, in each case, solely in relation to carrying on the business of the Identified Business Undertaking (other than as set out in Part A of **Schedule 1**), shall be and remain in full force and effect on, against or in favour of Resultant Company and may be enforced as fully and effectually as if, instead of AHEL, Resultant Company had been a party or beneficiary or obligor thereto. In relation to the same, any procedural requirements required to be fulfilled solely by AHEL shall be fulfilled by Resultant Company as if it is the duly constituted attorney of AHEL.

- (xii) all Identified Employees shall become the employees of Resultant Company without any break or interruption in their services on no less favourable terms (including employee benefits such as employees' state insurance, gratuity, provident fund, maternity benefit, leave encashment and any other benefits) as applicable to such employees. Resultant Company agrees that for the purpose of payment of any benefit/compensation/ incentive, contractual and statutory benefit, incentive plans, terminal benefits to such Identified Employees, immediate uninterrupted past services of such Identified Employees with AHEL shall be taken into account and accordingly, shall be reckoned from the date of their appointment with AHEL. In order to give effect to this provision and to carry out or perform all formalities or compliances, AHEL and or Resultant Company, as the case may be, shall do all such acts and deeds as may be necessary, or execute such contracts, agreements, deeds or other instruments or obtain necessary approvals, permits, rights and entitlements. It is clarified that with effect from the Effective Date, Resultant Company shall take necessary steps to undertake statutory filings and make contributions including provident fund, gratuity, leave encashment, in respect of the Identified Employees, in accordance with applicable law. Insofar as the provident fund, gratuity fund, superannuation fund or any other special fund or trusts, if any, created or existing for the benefit of the staff and employees of Demerged Company (including the Identified Employees) are concerned, such proportion of the investments made in the funds and liabilities which are referable to the Identified Employees shall be transferred to the similar funds, if any, created by Resultant Company and shall be held for their benefit pursuant to this Scheme, or at the sole discretion of Resultant Company, maintained as separate funds by Resultant Company. In the event that Resultant Company does not have its own funds in respect of any of the above mentioned funds, Resultant Company may, to the extent permitted by the contracts or deeds or applicable law governing these funds and subject to necessary approvals and permissions, continue to contribute to the relevant funds of the Demerged Company, until such time that Resultant Company creates its own funds or decides not to form its own funds, at which time the funds and the investments and contributions pertaining to the Identified Employees shall be transferred to the funds created by Resultant Company or to the concerned funds of relevant appropriate authority (such as of the Employees' Provident Fund Organization). Where Resultant Company decides not to form its own funds, and if certain benefits cannot be provisioned for through the funds of relevant appropriate authority, these benefits are to be provided in any other legally compliant manner, and the Demerged Company and Resultant Company shall, at that time, agree on the mode for transfer of the relevant amounts from the appropriate funds of the Demerged Company. Further to the transfer of funds as set out hereinabove, for all purposes whatsoever in relation to the administration or operation of such funds or in relation to the obligation to make contributions to the said funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, all rights, duties, powers and obligations of Demerged Company in relation to the Identified Business Undertaking as on the Effective Date in relation to such funds shall become those of Resultant Company. Upon this Scheme becoming effective, Resultant Company shall stand



substituted AHEL for the purposes of 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. It is clarified that the services of the Identified Employees will be treated as having been continuous for the purpose of the said funds.

- (xiii) any notices, disputes, pending suits/appeals, all legal, Taxation or other proceedings (including before any statutory or quasi-judicial authority or NCLT) of whatsoever nature, whether by or against AHEL, whether pending on the Appointed Date or which may be instituted any time in the future, in each case exclusively relating to the Identified Business Undertaking (including as set out in **Schedule 3**), shall not abate, be discontinued or in any way prejudicially affected by reason of anything contained in this Scheme including the demerger of the Identified Business Undertaking, and such proceedings shall continue and any prosecution shall be enforced by or against Resultant Company after the Effective Date. Resultant Company shall, after the Effective Date, be replaced as party to such proceedings and shall prosecute or defend such proceedings in co-operation with AHEL in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against AHEL, as if this Scheme had not been implemented.
- 3.2. Without any prejudice to the foregoing provisions of this Scheme, and notwithstanding the vesting of the Identified Business Undertaking in Resultant Company by virtue of this Scheme itself, if the consent of either a third party or governmental authority is required to give effect to any provision of Clause 3.1 above, the said third party or governmental authority shall, subject to the provisions of applicable laws, provide such consent and shall make and duly record the necessary substitution/endorsement in the name of Resultant Company pursuant to the Sanction Order, and upon this Scheme becoming effective in accordance with the terms hereof. Resultant Company may, at any time after the effectiveness of this Scheme, in accordance with the provisions hereof, or if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), instruments, documents and / or writings, or issue confirmations, or enter into tripartite arrangements with any party to any contract or arrangement to which AHEL is a party, and do all such acts as may be required, including obtaining necessary consents, filings appropriate applications/ documents with the relevant governmental and regulatory authorities (including the Registrar), for information and record purposes and to give formal effect to the above provisions. Resultant Company shall for this purpose, under the provisions hereof, be deemed to have been authorized to execute any such writings as the successor entity of AHEL in respect of the Identified Business Undertaking and to carry out or perform all such acts, formalities or compliances referred to above, as may be required.
- 3.3. In relation to any Tax refunds, benefits incentives, grants, subsidies *etc.*, of AHEL, solely pertaining to the Identified Business Undertaking, AHEL shall, if so required by Resultant Company, issue notices stating that, pursuant to the Sanction Order, such refund, benefit, incentive, grant, and/or subsidies, be paid or made good or held on account of Resultant Company as the person entitled thereto, and, to the end and intent, the right of AHEL to recover or realise the same stands transferred to Resultant Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 3.4. If any assets (including any estate, claim, rights, title, interest in or authorities relating to such assets or cash) which AHEL owns, and/or any Liabilities that pertain to AHEL and/or any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature, to which AHEL is a party, in each case, solely in relation to the Identified Business Undertaking, cannot be transferred to Resultant Company pursuant to the effectiveness of this Scheme, AHEL shall, subject to applicable law, hold such assets, Liabilities and/or contracts, deeds, bonds,





agreements, schemes, arrangements or other instruments, as the case may be, in trust for the benefit of Resultant Company in so far as it is permissible so to do until the time such assets/ Liabilities/ contracts are duly transferred to Resultant Company. AHEL and Resultant Company shall however, between themselves, treat each other as if all assets, Liabilities, contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Identified Business Undertaking had been transferred to Resultant Company on the Effective Date.

- 3.5. If there is any question that may arise as to whether any specified assets, Liabilities, employees, agreements, permits, approvals, undertaking activities, Tax demands, operations or properties forms part of the Identified Business Undertaking or the Residual Undertaking, the Boards of Resultant Company and AHEL, may mutually determine whether such specified assets, Liabilities, employees, agreements, permits, approvals, undertaking activities, Tax demand, operations or properties pertain to and are necessary for the conduct of or the activities or operations of the Identified Business Undertaking or the Residual Undertaking, and the same shall be included as assets, Liabilities, employees, agreements, permits, approvals, undertaking activities, Tax demand, operations or properties of the Identified Business Undertaking or the Residual Undertaking, as the case may be, for the purposes of this Scheme.

**3.6. Conduct of Business upto and upon Effectiveness of this Scheme**

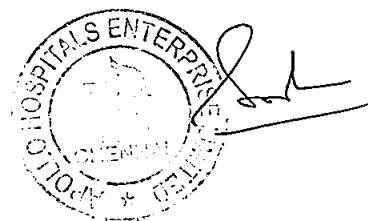
Conduct of Business upto Effectiveness of this Scheme

- 3.6.1. Until this Scheme becomes effective in accordance with its terms, the business activities of the Identified Business Undertaking shall be carried on by Demerged Company in ordinary course and in trust for and on behalf of Resultant Company.
- 3.6.2. Resultant Company shall be entitled, pending the sanction of this Scheme, to apply to the appropriate authorities concerned as necessary under applicable law for such consents, approvals and sanctions which Resultant Company may require to carry on the business of Identified Business Undertaking being transferred and vested in it in terms of this Scheme.

Conduct of Business upon Effectiveness of this Scheme

Upon this Scheme becoming effective:

- 3.6.3. Resultant Company shall carry on and shall be authorised to carry on the business of the Identified Business Undertaking, and all profits accruing to AHEL pertaining to the Identified Business Undertaking and all Taxes thereof or losses arising or incurred by it relating to the Identified Business Undertaking shall, for all purposes be treated as the profits, Taxes or losses as the case may be of Resultant Company.
- 3.6.4. AHEL shall, with respect to the period after the Effective Date: (a) not be responsible for performance of any obligations or for any Liabilities whatsoever and/ or contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature, exclusively arising from, or exclusively in relation to, the Identified Business Undertaking; and (b) not be entitled to any rights or to receive any benefits whatsoever exclusively in relation to the Identified Business Undertaking. The economic, financial, technical and operational responsibility and all related cost and expenses (direct and incurred), litigation, proceedings, Liabilities, Taxes, claims or demands (including in relation to income tax, service tax, TDS, provident fund and any other Tax or statutory obligations) in connection with the Identified Business Undertaking as of the Appointed Date, shall rest with and be borne entirely and exclusively by Resultant Company after the Effective Date, and



in the event that such liability is incurred by or such claim or demand is made upon the Demerged Company, Resultant Company shall promptly pay, indemnify and hold harmless Demerged Company for and from any such costs and expenses, litigation, proceedings, losses, damages, liabilities and Taxes, claims or demands (including in relation to income tax, service tax, TDS, provident fund and any other Tax or statutory obligations) or requirements under the contract(s), deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature exclusively pertaining to the Identified Business Undertaking, after the Effective Date.

- 3.6.5. For the purpose of giving effect to the Sanction Order passed under Chapter XV and other applicable provisions of the Act in respect of this Scheme, Resultant Company shall, at any time on and from the transfer of the Identified Business Undertaking pursuant to the Sanction Order, be entitled to get the recordal of the change in the legal rights in favour of Resultant Company. Resultant Company is, and shall always be deemed to have been, authorised to execute any pleadings, applications, forms, deeds *etc.*, as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme, subsequent to the Sanction Order.

### 3.7. Consideration

- 3.7.1. After this Scheme is sanctioned but before the Effective Date, the Board of Directors of AHEL shall, in consultation with Resultant Company, determine the record date for issue and allotment of Resultant Company Shares to the AHEL Eligible Shareholders and such date shall be a date prior to Appointed Date ("**Record Date 1**").
- 3.7.2. Upon determination of Record Date 1 in terms of Clause 3.7.1, AHEL will provide to Resultant Company, the list of its shareholders as on such date who are entitled to receive Resultant Company Shares in terms of this Scheme ("**AHEL Eligible Shareholders**") in order to enable Resultant Company to issue and allot Resultant Company Shares to such AHEL Eligible Shareholders in terms of Clause 3.7.3.
- 3.7.3. Upon this Scheme becoming effective, and in consideration of the demerger of the Identified Business Undertaking into Resultant Company, Resultant Company shall, without any further application, act or deed, issue and allot Resultant Company Shares to the AHEL Eligible Shareholders in the ratio set out below ("**Demerger Share Entitlement Ratio**"):

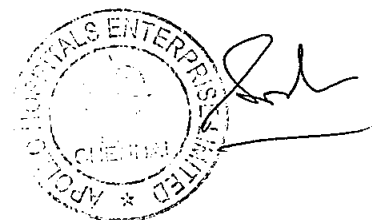
For every 100 (one hundred) shares held by an AHEL Eligible Shareholder in Demerged Company, such AHEL Eligible Shareholder shall receive 195.2 (one hundred ninety five point two) Resultant Company Shares.

Resultant Company Shares issued and allotted pursuant to this Clause 3.7.3 shall hereinafter be referred to as the "**Demerger Consideration Shares**".

- 3.7.4. Demerged Company may, any time prior to Record Date 1, *inter alia*, restructure its equity share capital including by way of share split/ consolidation/ issue of bonus shares, or any other similar corporate action. In such event, the Demerger Share Entitlement Ratio shall be adjusted appropriately to take into account the effect of such issuance or corporate actions, without requirement of any further approval from any authority.

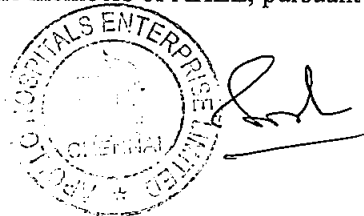
### 3.8. Issuance Mechanics and other Provisions

- 3.8.1. The Demerger Consideration Shares to be issued and allotted by Resultant Company in terms of



Clause 3.7 of this Scheme shall be subject to the provisions of the memorandum of association and the articles of association of Resultant Company and shall rank *pari passu* in all respects with the existing equity shares of Resultant Company, including with respect to dividend, bonus entitlement, right shares' entitlement, voting rights and other corporate benefits. The Resultant Company Shares issued pursuant to this Clause 3.8 and in lieu of locked-in shares of Demerged Company, if any, will be subject to lock-in for the remaining lock-in period of such locked-in shares, in accordance with the SEBI Circular.

- 3.8.2. The Demerger Consideration Shares shall be issued in dematerialised form by Resultant Company. The AHEL Eligible Shareholders must undertake all necessary steps and provide such confirmation, information and details as may be required by Resultant Company to enable it to issue and allot the Demerger Consideration Shares. In case details of the depository participant account of such shareholder have not been provided to Resultant Company prior to the Effective Date, Resultant Company shall deal with the relevant Demerger Consideration Shares in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding Demerger Consideration Shares in dematerialised form to a trustee nominated by the Board of Resultant Company who shall hold these equity shares in trust for the benefit of such shareholder, until such shareholder provides details of his / her / its depository participant account to Resultant Company in accordance with applicable laws, along with such documents as maybe required under applicable laws.
- 3.8.3. For the purpose of the allotment of the Demerger Consideration Shares pursuant to Clause 3.7 of this Scheme, in case any AHEL Eligible Shareholder's holding in Demerged Company is such that such member becomes entitled to a fractional number of Demerger Consideration Shares, Resultant Company shall not issue such fractional Demerger Consideration Shares but shall consolidate all such fractional entitlements of the AHEL Eligible Shareholders, and the Board of Resultant Company shall, without any further act, instrument or deed, issue and allot such Demerger Consideration Shares that represent the consolidated fractional entitlements to a trustee nominated by the Board of Directors of Resultant Company (the "Trustee"), who shall hold such Demerger Consideration Shares with all additions or accretions thereto, in trust for the benefit of the respective AHEL Eligible Shareholders, who are entitled to such fractional entitlements (and their respective heirs, executors, administrators or successors) for the specific purpose of selling such Demerger Consideration Shares in the market within 90 (ninety) days from the date of allotment, and on such sale, distribute to the AHEL Eligible Shareholders in proportion to their respective fractional entitlements, the net sale proceeds of such Demerger Consideration Shares (after deduction of applicable Taxes and costs incurred and subject to withholding tax, if any). It is clarified that any such distribution shall take place only after the sale of all the Demerger Consideration Shares that were issued and allotted to the Trustee pursuant to this Clause 3.8.3.
- 3.8.4. For the purpose of allotment of the Demerger Consideration Shares pursuant to Clause 3.7 of this Scheme, any equity shares of Demerged Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise, shall, pending allotment or settlement of dispute by order of court or otherwise, be held in abeyance by Resultant Company or shall be dealt with as otherwise provided under applicable laws.
- 3.8.5. Upon the approval of this Scheme by the members of Resultant Company pursuant to Section 232 of the Act, it shall be deemed that the members of Resultant Company have accorded their consent under Section 62, Section 42 and other applicable provisions of the Act and other applicable provisions of law. Resultant Company shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities, including SEBI and the Stock Exchanges, for the issue and allotment of the Demerger Consideration Shares to the members of AHEL, pursuant



to the effectiveness of this Scheme. If required, Resultant Company shall take necessary steps to increase its authorised share capital on or before the Effective Date so as to make it sufficient for the issuance and allotment of the Demerger Consideration Shares in accordance with Clause 3.8 of this Scheme.

- 3.8.6. In the event of there being any pending and valid share transfers, whether lodged or outstanding, of any AHEL Eligible Shareholder, as on Record Date 1, the Board or any committee thereof of AHEL shall be empowered in appropriate cases, even subsequent to Record Date 1, to effectuate such a transfer in AHEL, as if such changes in registered holder were operative as on Record Date 1, in order to remove any difficulties arising to AHEL or Resultant Company, as the case may be, in respect of such shares in relation to the Resultant Company Shares.
- 3.8.7. The Demerger Consideration Shares to be allotted pursuant to the shares of AHEL which are held in the unclaimed suspense account or the Investor Education and Protection Fund Account linked to AHEL, shall be allotted to a new unclaimed suspense account/ new Investor Education and Protection Fund Account (as the case may be) created for the shareholders of Resultant Company.

### 3.9. Accounting Treatment

With effect from the Appointed Date and upon this Scheme becoming effective, Demerged Company and Resultant Company shall comply with generally accepted accounting practices in India, provisions of the Act and accounting standards as notified by the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following:

#### 3.9.1. In the books of Demerged Company

Demerged Company shall account for the demerger in its books of accounts in the following manner:

- (i) Demerged Company shall reduce the carrying value of all the assets and Liabilities pertaining to the Identified Business Undertaking (including equity shares held in Transferor Company 1) as on the Appointed Date, that are transferred to and vested in the Resultant Company pursuant to this Scheme, from the respective book value of assets and Liabilities of Demerged Company; and
- (ii) The difference, being excess of carrying value of assets over the carrying value of Liabilities of the Identified Business Undertaking transferred to Resultant Company pursuant to this Scheme, shall be first adjusted against 'Capital Reserve' to the extent available and residual balance, if any, shall be adjusted against 'Retained Earnings' under the head 'Other Equity'. The difference, if any, being excess of carrying value of Liabilities over the carrying value of assets of the Identified Business Undertaking transferred to Resultant Company pursuant to this Scheme shall be credited to 'Capital Reserve'.

#### 3.9.2. In the books of Resultant Company

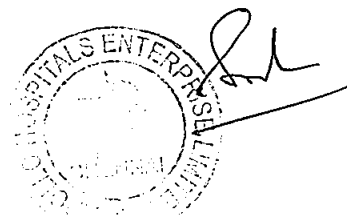
Resultant Company shall account for the demerger in its books of accounts as per 'Pooling of interest Method' in compliance with Appendix C of the Indian Accounting Standard 103 Business Combinations (Ind AS 103) and other Indian Accounting Standards as applicable, and notified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in the following manner:



- (i) Resultant Company shall record all assets and Liabilities pertaining to the Identified Business Undertaking transferred to it pursuant to this Scheme at their respective carrying values as appearing in the books of accounts of Demerged Company immediately prior to the effectiveness of this Scheme;
- (ii) Resultant Company shall credit the equity share capital in its books of accounts with the aggregate face value of equity shares issued by it to the shareholders of Demerged Company pursuant to clause 3.7.3 of the Scheme;
- (iii) The difference between the aggregate face value of the equity shares issued (as per (ii) above) and the net book value of the assets and Liabilities of the Identified Business Undertaking (as per (i) above) will be credited or debited, as the case may be, to equity and classified as 'Capital Reserve';
- (iv) If the accounting policies adopted by Resultant Company are different from those adopted by Demerged Company, the assets and Liabilities of the Identified Business Undertaking shall be accounted in the books of Resultant Company adopting uniform accounting policies followed by Resultant Company; and
- (v) The comparative financial information in the financial statements of Resultant Company shall be restated as if the Scheme had occurred from the beginning of the comparative period presented or from the date of incorporation of Resultant Company.

### 3.10. Wrong Pocket Assets

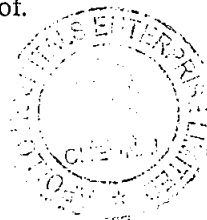
- 3.10.1. No part of the Identified Business Undertaking of AHEL shall be retained by Demerged Company after the Effective Date pursuant to the demerger in accordance with this Scheme. If any part of the Identified Business Undertaking of AHEL is inadvertently retained by Demerged Company after the Effective Date, Demerged Company shall take such actions as may be reasonably required to ensure that such part of the Identified Business Undertaking is transferred to Resultant Company promptly and for no further consideration.
- 3.10.2. If Demerged Company realizes any amounts after the Effective Date that form part of the Identified Business Undertaking of AHEL, it shall immediately make payment of such amounts to Resultant Company. It is clarified that all receivables relating to the Identified Business Undertaking of AHEL, for the period prior to the Effective Date, but received after the Effective Date, relating to the Identified Business Undertaking of AHEL shall be paid to Resultant Company for no additional consideration.



#### PART-IV

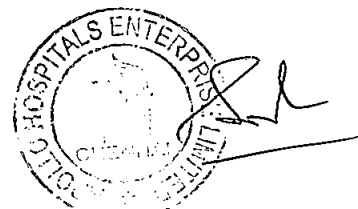
#### 4. RESIDUAL UNDERTAKING OF AHEL

- 4.1. The Residual Undertaking and all assets, Liabilities, properties, and rights pertaining thereto shall continue to belong to, be vested in, and be managed by, AHEL. Resultant Company shall have no right, claim or obligation in relation to the Residual Undertaking, and nothing in this Scheme shall operate to transfer any part of the Residual Undertaking to Resultant Company or to make Resultant Company liable for any Liabilities of AHEL relating to the Residual Undertaking.
- 4.2. All legal, Taxation or other proceedings by or against AHEL under any statute, or by any quasi-judicial authority or NCLT, whether pending on the date of filing of this Scheme or which may be instituted in future whether or not in respect of any matter arising before the Effective Date but relating to the Residual Undertaking (including those relating to any property, right, power, Liability, or duties of AHEL in respect of the Residual Undertaking) shall be continued and enforced by or against AHEL. Resultant Company shall in no event be responsible or liable in relation to any such legal, Taxation or other proceeding against AHEL if proceedings are taken up against Resultant Company in respect of the matters referred to in this Clause, it shall defend the same in accordance with the advice of AHEL and at the cost of AHEL.
- 4.3. All legal, Tax or other proceedings by or against Demerged Company/Resultant Company under any statute, or by any quasi-judicial authority or tribunal, whether pending on the date of filing of this Scheme or which may be instituted in future, in respect of any matter arising before the Effective Date and which proceedings are of a common nature (*i.e.*, relating to both the Identified Business Undertaking and the Residual Undertaking, as mutually determined by the Board of Directors of Demerged Company and Resultant Company), shall be the joint responsibility of Demerged Company and Resultant Company, and accordingly, the entity against which such proceedings are initiated will defend the same in good faith discussions with the other entity, such that all liabilities, costs and expenses are borne by Demerged Company and Resultant Company in the ratio to be mutually determined by the Board of Directors of Demerged Company and Resultant Company.
- 4.4. In so far as the assets forming part of the Identified Business Undertaking are concerned, the Encumbrances (if any) over such assets, to the extent they relate to any Liabilities (if any) of AHEL pertaining to the Residual Undertaking shall, as and from the Appointed Date, without any further act, instrument or deed be released and discharged from the same and shall no longer be available as Encumbrances in relation to Liabilities of AHEL pertaining to the Residual Undertaking. For the avoidance of doubt, it is clarified that in so far as the assets comprising the Residual Undertaking are concerned, the Encumbrance, if any, over such assets relating to the Liabilities transferred to Resultant Company, shall, without any further act, instrument or deed being required, be released and discharged from the obligations and Encumbrances relating to the same. Further, other security holders over the properties of AHEL exclusively pertaining to the Identified Business Undertaking shall not be entitled to any security over the properties of AHEL pertaining to the Residual Undertaking. For this purpose, sanction of this Scheme by the secured creditors/ security holders shall be considered as a specific consent towards the same.
- 4.5. In relation to the existing benefits or funds, if any, created by AHEL for the employees of AHEL other than the Identified Employees, the same shall continue and AHEL shall continue to contribute to such benefits or funds in accordance with the provisions thereof, and such benefits or funds, if any, shall be held, *inter alia*, for the benefit of the employees of the Residual Undertaking, and Resultant Company shall have no liability in respect thereof.



4.6. **Wrong Pocket Assets**

- 4.6.1. No part of the Residual Undertaking shall be transferred to Resultant Company. If any part of the Residual Undertaking is inadvertently transferred to or held by Resultant Company after the Effective Date, Resultant Company shall take such actions as may be reasonably required to ensure that such part of the Residual Undertaking is transferred back to Demerged Company, promptly and for no consideration.
- 4.6.2. If Resultant Company realizes any amounts after the Effective Date that form part of the Residual Undertaking, it shall immediately make payment of such amounts to Demerged Company. It is clarified that all receivables relating to the Residual Undertaking, if received by Resultant Company, shall be paid to Demerged Company for no additional consideration.



**PART-V**

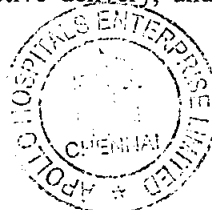
**5. AMALGAMATION OF TRANSFEROR COMPANY 1 INTO AND WITH RESULTANT COMPANY**

**5.1. Transfer and vesting of Transferor Company 1 into and with Resultant Company**

5.1.1. With effect from the Appointed Date and upon this Scheme becoming effective, Transferor Company 1 shall stand amalgamated into and with Resultant Company and all the assets and Liabilities and the entire business of Transferor Company 1 shall stand transferred to, and vest in, Resultant Company, as a going concern, without any further act or deed, together with all its properties, assets, Liabilities, rights, benefits and interest therein, subject to and in accordance with the provisions of this Scheme, Chapter XV of the Act and all applicable provisions of law, if any.

5.1.2. Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, with effect from the Appointed Date and upon the Scheme becoming effective:

- (i) all immovable properties (including estates, land, together with buildings and structures standing thereon and any other immovable property), and all rights, title, claims, interests and authorities accrued, acquired, or embedded to the land, in any immovable properties by Transferor Company 1, if any, whether or not included in the books of Transferor Company 1, whether freehold or leasehold or licensed, all tenancies, and any documents of title, lease, license, rent agreements, security deposits, advance, prepaid lease/license fee, rights and easements in relation thereto, shall, without any further act, instrument or deed, stand transferred to and vested in and/or be deemed to have been transferred to and vested in Resultant Company and shall become the immovable properties, right, title, claims, interests and authorities of Resultant Company. Upon the Scheme coming into effect on the Effective Date, Resultant Company shall be entitled to exercise all rights and privileges attached thereto including refund of any security deposits, advance, prepaid fee and shall be liable to pay all Taxes, rent and charges, and fulfill all obligations, in relation to or applicable to such immovable properties, if any, and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants under all relevant lease/license or rent agreements. Upon the Scheme coming into effect on the Effective Date, the title to all the immovable properties of Transferor Company 1, if any, shall be deemed to have been mutated and recognised as that of Resultant Company and the mere filing of the Sanction Order with the appropriate registrar and sub-registrar or with the relevant governmental authority shall suffice as record of Resultant Company's title to such immovable properties and shall constitute a deemed mutation and substitution thereof. The relevant governmental authorities may rely on the Scheme along with copy of the Sanction Order, to make necessary mutation entries and changes in the land or revenue records to reflect the name of Resultant Company as the owner or lessee (as the case may be) of the immovable properties. Resultant Company shall, in pursuance of the Sanction Order be entitled to the delivery and possession of all documents of title in respect of such immovable property, if any, in this regard. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under applicable law), shall be deemed to be conveyed at a value determined in accordance with the applicable laws. The transfer of such immovable properties shall form an integral part of this Scheme.
- (ii) all assets including Intellectual Property of Transferor Company 1, whether tangible or intangible, which are movable in nature or incorporeal property, or are otherwise capable of being transferred by physical or constructive delivery, and/or by endorsement and

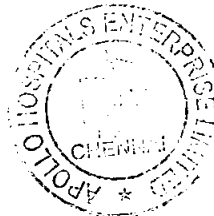


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delivery, or by vesting and recordal of whatsoever nature, wherever located, whether or not included in the books of Transferor Company 1, including without limitation equipment, furniture, fixtures, books, records, files, papers, computer programs, engineering and process information, manuals, data, production methodologies, production plans, catalogues, quotations, websites, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form or in any other form, shall stand vested and/or deemed to be transferred and vested in Resultant Company, and shall become the property of Resultant Company, without any further act, instrument or deed.

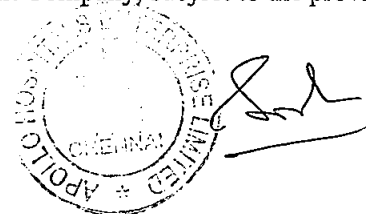
- (iii) any and all assets of Transferor Company 1, other than those described in sub-clauses (i) and (ii) above, including actionable claims, sundry debtors, receivables, bank balances, outstanding loans and advances, credits (including Tax credits), advance tax, input tax credit relating to indirect taxes and any other Tax balances recoverable in cash or in kind, investments (including any and all Indian and overseas investments made by Transferor Company 1, including its subsidiaries), earnest money or deposits with government, quasi government, local or other authority or body or with any company or other person, cheques on hand are deemed to be transferred to, and vested in, Resultant Company without any further act, instrument or deed (including any associated costs or charges). On and from the Effective Date, Resultant Company shall be entitled to the delivery and possession of all documents of title of such movable property in this regard.
- (iv) all Encumbrances over any moveable and/or immoveable properties, if any, created/executed by any person in favour of Transferor Company 1 for securing the obligations of the persons to whom Transferor Company 1 has advanced loans and granted other funded and non-funded financial assistance, by way of letter of comfort or through other similar instruments shall, pursuant to the provisions of Section 232 of the Act and without any further act, instrument or deed, stand vested in and be deemed to be in favour of Resultant Company and the benefit of such security shall be available to Resultant Company as if such security was *ab initio* created in favour of Resultant Company. The mutation or substitution of the charge in relation to the movable and immovable properties of Transferor Company 1 shall, upon this Scheme becoming effective, be made and duly recorded in the name of Resultant Company by the appropriate authorities and third parties (including any depository participants) pursuant to the Sanction Order and upon this Scheme becoming effective in accordance with the terms hereof.
- (v) all Liabilities of Transferor Company 1 shall stand transferred to and vested in Resultant Company, and the same shall be assumed to the extent they are outstanding on the Appointed Date and become and be deemed to be the Liabilities of, and shall, upon effectiveness of this Scheme, without any further act, instrument or deed, be discharged by Resultant Company on the same terms and conditions as were applicable to Transferor Company 1. Transferor Company 1 and Resultant Company shall not be required to obtain the approval of any third party or 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 5.1.2(v). Any reference in any security documents or arrangements to Transferor Company 1 and its assets and properties shall be construed as a reference to Resultant Company and the assets and properties of Transferor Company 1 transferred to Resultant Company by virtue of effectiveness of this Scheme. The provisions of this Clause 5.1.2 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing to which the relevant Liability relates to or the terms of sanction or issue



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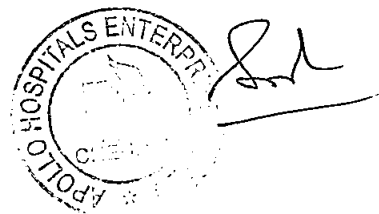
or any security document, all of which instruments, deeds or writings shall stand modified.

- (vi) the secured creditors of Resultant Company (as existing immediately prior to the effectiveness of this Scheme), if any, shall only continue to be entitled to security over such properties and assets forming part of Resultant Company, as existing immediately prior to the effectiveness of this Scheme. The existing Encumbrances (if any), as on the Appointed Date, over the assets of Transferor Company 1 or any part thereof, shall, after the Appointed Date, continue to relate and attach to such assets or any part thereof to which they related or were attached immediately prior to the Effective Date, and such Encumbrances shall not relate or attach to any of the other assets of Resultant Company. It is hereby clarified that all the assets of Resultant Company and Transferor Company 1 which are not Encumbered immediately prior to the Effective Date, shall remain free and available for creation of any security thereon in future in relation to any new indebtedness that may be incurred by Resultant Company. For this purpose, no further consent from the existing secured creditors shall be required and sanction of this Scheme shall be considered as a specific consent of such secured creditors.
- (vii) all direct and indirect Taxes of any nature, duties and cess or any other like payment, including (but not limited to) income Tax, security transaction Tax, dividend distribution Tax, buy back Tax, foreign Tax credit, equalization levy, value added Tax, central sales Tax, excise duty, customs duty, minimum alternate Tax, advance Tax, GST, self assessment Tax, TDS or Tax collected at source or any other like payments made by Transferor Company 1 to any statutory authorities, or other collections made by Transferor Company 1 and relating to the period up to the Effective Date, shall, without any further act, instrument or deed, be deemed to have been on account of, or on behalf of, or paid by, or made by Resultant Company. All deductions otherwise admissible to Transferor Company 1 including without limitation deduction admissible on actual payments or on deduction of appropriate Taxes or on payment of TDS (including, but not limited to, claim for sum prescribed under section 43B, Section 40, Section 35DD and Section 94B of the IT Act), claim for deduction of provisions written back by Transferor Company 1 previously disallowed under the IT Act in the hands of Transferor Company 1, claim for debt or part of debt written off under Section 36(1)(vii) read with Section 36(2) of the IT Act, where such debt or part of the debt were offered to Tax by Transferor Company 1, and claim for any deferred payments shall be eligible for deduction to Resultant Company in the same manner and to the same extent as would have been enjoyed, availed or utilized by Transferor Company 1. Further, Resultant Company shall be entitled to exclude items such as provisions, reversals, *etc.*, for which no deduction or Tax benefit has been claimed by Resultant Company prior to the Appointed Date. Resultant Company shall be entitled to claim credit for TDS/Taxes collected at source/paid against Tax liabilities/duty liabilities/minimum alternate Tax, advance Tax, GST, value added Tax liability and any other credits *etc.*, notwithstanding the certificates/challans or other documents for payment of such Taxes/duties, as the case may be, are in the name of Transferor Company 1. All Taxes payable by or refundable to or being the entitlement of Transferor Company 1, including without limitation all or any refunds or claims shall be treated as the Tax liability or refunds/credits/claims, as the case may be, of Resultant Company, and any Tax incentives, advantages, privileges, exemptions, credits, entitlements (including, but not limited to, credits in respect of income Tax, carry forward Tax losses, unabsorbed depreciation, closing balance of CENVAT, value added Tax, central sales Tax, excise duty, turnover Tax, GST, security transaction Tax, minimum alternate Tax and duty entitlement credit certificates), holidays, remissions, reductions, as would have been available to Transferor Company 1, shall be available to Resultant Company, subject to the provisions



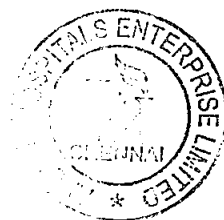
of applicable laws. All the expenses incurred by Transferor Company 1 and Resultant Company in relation to the transfer and vesting of Transferor Company 1 with Resultant Company in accordance with Part V of this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to Resultant Company in accordance with section 35DD of the IT Act over a period of 5 (five) years from the Appointed Date. Resultant Company shall undertake all necessary compliances prescribed under applicable laws to, and Transferor Company 1 shall, prior to the Effective Date, extend its cooperation to Resultant Company to, effectuate transfer of all credits including GST of Transferor Company 1 to Resultant Company. Resultant Company shall have the right to file and/or revise the financial statements, income Tax returns, TDS certificates and other statutory returns and filings, if required, including that of Transferor Company 1, even if the relevant due dates set out under applicable laws may have expired.

- (viii) all Tax assessment proceedings/appeals of whatsoever nature, by or against Transferor Company 1 pending and/or arising shall be continued and/or enforced until the Effective Date by Transferor Company 1. In the event of Transferor Company 1 failing to continue or enforce any proceeding/appeal, the same may be continued or enforced by Resultant Company, at the cost of Resultant Company. From the Effective Date, the Tax proceedings shall be continued and enforced by or against Resultant Company in the same manner and to the same extent as would or might have been continued and enforced by or against Transferor Company 1.
- (ix) any Tax deposited, certificates issued or returns filed by Transferor Company 1 shall continue to hold good as if such amounts were deposited, certificates were issued, and returns were filed by Resultant Company.
- (x) the aforementioned proceedings mentioned in Clause 5.1.2 (viii) shall not abate or be discontinued nor be in any way prejudicially affected by reason of the transfer and vesting of Transferor Company 1 with Resultant Company or anything contained in the Scheme.
- (xi) any refund under the IT Act or any other Tax laws related to or due to Transferor Company 1, including those for which no credit is taken as on the date immediately prior to the Effective Date, shall also belong to and be received by Resultant Company.
- (xii) all approvals (including in-principle approvals), consents, clearances, exemptions, registrations, no-objection certificates, permits (including municipal permits), quotas, rights, entitlements, licenses (including the licenses granted by, or any pending application made to, any governmental, statutory or regulatory bodies for the purpose of carrying on business or in connection therewith) and certificates of every kind and description whatsoever held by Transferor Company 1, or to the benefit of which Transferor Company 1 may be eligible/entitled and which are subsisting or having effect; all incentives, subsidies, claims, leases, tenancy rights, powers, liberties, facilities, allotments, insurance cover, authorities, privileges, affiliations, easements, rehabilitation schemes, tax deferrals, sanctions, remissions, special reservations, service-tax/ value added tax exemptions, GST exemptions/incentives, special status and other benefits or privileges and all rights and benefits thereto that have accrued to or enjoyed by or conferred upon or held or availed by Transferor Company 1 which are subsisting or having effect immediately prior to the Effective Date, shall, under the provisions of Chapter XV of the Act and all other provisions of applicable laws, without any further act, instrument or deed (including any associated cost or charges) and without any notice or other intimation to any third party for transfer of the same, shall stand transferred to and vest in and/or be deemed to be



transferred to and vested in and be available to Resultant Company so as to become licenses, permits, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, liberties, special status of every kind and description, and other benefits or privileges thereto of Resultant Company and shall remain valid, effective and enforceable on the same terms and conditions, to the extent permissible under applicable laws.

- (xiii) all contracts, deeds, bonds, agreements, schemes, arrangements, letters of intent, request for proposal, pre-qualifications, bid acceptances, tenders, and other instruments of whatsoever nature in relation to Transferor Company 1, or to the benefit of which, Transferor Company 1 may be eligible, shall continue to be in full force and effect on, against or in favour of Resultant Company and may be enforced as fully and effectually as if, instead of Transferor Company 1, Resultant Company had been a party or beneficiary or obligor thereto. For the avoidance of doubt, it is hereby clarified that it is not necessary to obtain the consent of any third party or other person who is a party to any such contract, deed, bond, agreement, scheme, arrangement, letters of intent, request for proposal, pre-qualifications, bid acceptances, tenders, or other instrument in order to give effect to the provisions of this Clause 5.1.2(xiii), and the approval of this Scheme through Sanction Order is deemed sufficient for the purposes of giving effect to the provisions of this Clause.
- (xiv) all employees of Transferor Company 1 who are on its payrolls as on the Effective Date, shall become employees of Resultant Company, on such terms and conditions as are no less favourable than those on which they are engaged by Transferor Company 1, immediately prior to the Effective Date, without any interruption of service as a result of this amalgamation of Transferor Company 1 into and with Resultant Company. With regard to any special scheme(s) or benefits created or existing for the benefit of such employees of Transferor Company 1 (if any), subject to Clause 5.3, Resultant Company shall stand substituted for Transferor Company 1 for all purposes whatsoever, upon this Scheme becoming effective, in accordance with the provisions of applicable laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, subject to Clause 5.3, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of Transferor Company 1 for such purpose shall be treated as having been continuous.
- (xv) all notices, disputes, pending suits, appeals or other proceedings of any nature whatsoever including legal, Tax or other proceedings, if any, relating to Transferor Company 1, whether by or against Transferor Company 1, shall not abate, be discontinued or in any way be prejudicially affected by reason of anything contained in this Scheme, including the amalgamation of Transferor Company 1 into and with Resultant Company, but the proceedings will continue and any prosecution will be enforced by or against Resultant Company, after the Effective Date, in the same manner and to the same extent as would or might have been continued, prosecuted or enforced by or against Transferor Company 1, as if this Scheme had not been implemented. Resultant Company undertakes to have all legal or other proceedings initiated by or against Transferor Company 1, which are capable of being continued by or against Resultant Company, transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against Transferor Company 1.
- (xvi) all loans, advances and other obligations due from Transferor Company 1 to Resultant Company or *vice versa*, if any, and all contracts, deeds, arrangements and other instruments executed by and between Transferor Company 1 and Resultant Company, if any, shall



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stand cancelled and shall have no effect and there shall be no Liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of Resultant Company.

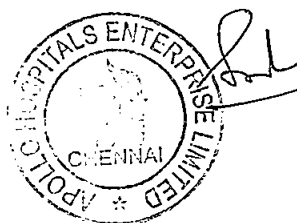
- 5.2. Without prejudice to the foregoing provisions of this Part V of the Scheme, if the consent of either a third party or governmental authority is required to give effect to any provision of Clause 5.1.2 above, the said third party or governmental authority shall, subject to the provisions of applicable laws, provide such consent and shall make and duly record the necessary substitution/endorsement in the name of Resultant Company pursuant to the Sanction Order, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, Resultant Company may, at any time after effectiveness of this Scheme, in accordance with the provisions hereof, or if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), instruments, documents and / or writings, or issue confirmations, or enter into tripartite arrangements with any party to any contract or arrangement to which Transferor Company 1 is a party, and do all such acts as may be required, including obtaining necessary consents, filings appropriate applications/ documents with the relevant governmental and regulatory authorities (including the Registrar), for information and record purposes and to give formal effect to the above provisions. Resultant Company shall for this purpose, under the provisions hereof, be deemed to have been authorized to execute any such writings as the successor entity of Transferor Company 1 and to carry out or perform all such acts, formalities or compliances referred to above, *inter alia*, in its capacity as the successor entity of Transferor Company 1.

5.3. **Employee Stock Options**

- (i) with respect to the employee stock options which are granted by Transferor Company 1 ("AHL ESOPs") under the Transferor Company 1 ESOP Plan, upon the Scheme becoming effective, the Board of Directors of Resultant Company shall under the New ESOP Plan, grant such options or securities in Resultant Company similar to or substantially similar to the rights that the holder has under the Transferor Company 1 ESOP Plan, to the extent permitted under applicable laws.
- (ii) the approval granted to this Scheme by the shareholders of Resultant Company shall be deemed to be approval granted to Resultant Company for formulating and establishing the New ESOP Plan pursuant to the provisions of this Scheme, and no separate resolutions / approval of the shareholders of Resultant Company shall be required to be passed / undertaken in this respect.
- (iii) while granting stock options/benefits/securities under the New ESOP Plan, Resultant Company shall, subject to the provisions of this Scheme, take into account: (a) the Transferor Company 1 Merger Share Entitlement Ratio; and (b) the period during which the employees held the AHL ESOPs granted by Transferor Company 1 prior to the issuance of the stock options by Resultant Company, for determining of the entitlement and minimum vesting period required for benefits/securities granted by Resultant Company given that it is the aim and intent of this Scheme to preserve, *inter alia*, the entitlement and vesting schedule set out under the Transferor Company 1 ESOP Plan. Subject to applicable laws, the terms and conditions of the New ESOP Plan shall be no less favourable than those provided under the Transferor Company 1 ESOP Plan.

5.4. **Conduct of Business upto and upon Effectiveness of this Scheme**

Conduct of Business upto Effectiveness of this Scheme



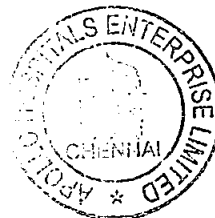
- 5.4.1. Until this Scheme becomes effective in accordance with its terms, Transferor Company 1 undertakes to carry on and shall be deemed to have carried on the business activities of Transferor Company 1 and shall stand possessed of the properties and assets of Transferor Company 1, for and on behalf of and in trust for Resultant Company.
- 5.4.2. Resultant Company shall be entitled, pending the sanction of this Scheme, to apply to the appropriate authorities concerned as necessary under applicable law for such consents, approvals and sanctions which Resultant Company may require to carry on the business of Transferor Company 1.

Conduct of Business upon Effectiveness of this Scheme

- 5.4.3. Upon this Scheme becoming effective from the Effective Date, Resultant Company shall carry on and shall be authorised to carry on, and will carry on, the businesses of Transferor Company 1 under the relevant license and/or permit and/or approval *etc.*, as the case may be, pursuant to the effectiveness of the Scheme on its own account, pending the transfer of any approvals and other consents, permissions, quotas, rights, authorizations, entitlements, no-objection certificates and licenses, privileges, powers and facilities of every kind and description, that may be required under applicable law, in the name of Resultant Company and would be entitled to make any applications, requests and the like in this regard.
- 5.4.4. For the purpose of giving effect to this Scheme, Resultant Company is, at any time pursuant to the Sanction Order, entitled to get the recordal of the change in the legal right(s) as a consequence of the amalgamation undertaken in terms of this Scheme. Resultant Company is and will always be deemed to have been authorised to execute any pleadings, applications and forms, as may be required to remove any difficulties and carry out any acts, formalities or compliance as are necessary for the implementation of this Scheme.
- 5.4.5. Upon this Scheme becoming effective, all profits accruing to Transferor Company 1 and all Taxes thereof or losses arising or incurred by it shall, for all purposes be treated as the profits, Taxes or losses as the case may be of Resultant Company.
- 5.4.6. Upon this Scheme becoming effective, Resultant Company, unconditionally and irrevocably, agrees and undertakes to pay, discharge and satisfy all Liabilities of Transferor Company 1 with effect from the Appointed Date, in order to give effect to the foregoing provisions.

**5.5. Consideration**

- 5.5.1. After this Scheme is sanctioned but before the Effective Date, the Board of Directors of Transferor Company 1 will, in consultation with Resultant Company, determine the record date for issue and allotment of Resultant Company Shares to the Transferor Company 1 Eligible Shareholders ("**Record Date 2**").
- 5.5.2. Upon determination of Record Date 2 in terms of Clause 5.5.1, Transferor Company 1 will provide to Resultant Company, the list of its shareholders as on such date,, who are entitled to receive the Resultant Company Shares in terms of this Scheme ("**Transferor Company 1 Eligible Shareholders**") in order to enable Resultant Company to issue and allot the Resultant Company Shares to such shareholders in terms of Clause 5.5.3.
- 5.5.3. Upon this Scheme becoming effective and in consideration of the amalgamation and merger of



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Transferor Company 1 into and with Resultant Company, Resultant Company will issue Resultant Company Shares to the Transferor Company 1 Eligible Shareholders in the ratio ("**Transferor Company 1 Merger Share Entitlement Ratio**"), such that:

- (i) for every 100 (one hundred) equity shares held by a Transferor Company 1 Eligible Shareholder, such Transferor Company 1 Eligible Shareholder shall receive 89.5 (eighty nine point five) Resultant Company Shares;
- (ii) for every 100 (one hundred) compulsorily convertible preference shares held by the Transferor Company 1 Eligible Shareholder, such Transferor Company 1 Eligible Shareholder shall receive 32.6 (thirty two point six) Resultant Company Shares;

Resultant Company Shares issued and allotted pursuant to this Clause 5.5.3 shall hereinafter be referred to as "**Transferor Company 1 Merger Consideration Shares**".

It is clarified that no equity shares shall be issued by Resultant Company, nor payment made in cash, in respect of equity shares held in Transferor Company 1 by Resultant Company as a result of the demerger of Identified Business Undertaking into Resultant Company in accordance with this Scheme. Upon effectiveness of this Scheme, the investment in the shares of the Transferor Company 1 appearing in the books of account of the Resultant Company, as a result of the demerger of the Identified Business Undertaking into Resultant Company shall, without any further act or deed, stand cancelled.

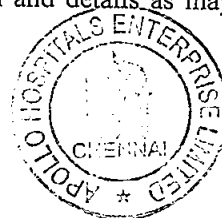
5.5.4. Transferor Company 1 may, any time prior to Record Date 2, *inter alia*, restructure its equity share capital including by way of share split/ consolidation/ issue of bonus shares, or any other similar corporate action at any time before Record Date 2. In such event, the Transferor Company 1 Merger Share Entitlement Ratio shall be adjusted appropriately to take into account the effect of such issuance or corporate actions, without requirement of any further approval from any authority.

5.5.5. Upon the issuance and allotment of the Transferor Company 1 Merger Consideration Shares to the Transferor Company 1 Eligible Shareholders in accordance with Clause 5.5.3, the equity shares and preference shares issued by Transferor Company 1 will stand cancelled and the reduction of the relevant shares shall be effected, by operation of law, without payment of any consideration or any further act or deed by Transferor Company 1 and/or Resultant Company. The consent of the shareholders of Transferor Company 1 to this Scheme shall be deemed to be sufficient for the purposes of effecting such changes to its share capital, and no further resolution or action under the provisions of the Act, including under Section 52 or Section 66 of the Act, as may be applicable, shall be required to be separately passed or taken.

#### 5.6. **Issuance Mechanics and other Provisions**

5.6.1. Transferor Company 1 Merger Consideration Shares to be issued and allotted by Resultant Company in terms of Clause 5.5 of this Scheme shall be subject to the provisions of the memorandum of association and the articles of association of Resultant Company and shall rank *pari passu* in all respects with the existing equity shares of Resultant Company, including with respect to dividend, bonus entitlement, right shares' entitlement, voting rights and other corporate benefits.

5.6.2. Transferor Company 1 Merger Consideration Shares shall be issued in dematerialised form by Resultant Company. The Transferor Company 1 Eligible Shareholders must undertake all necessary steps, and provide such confirmation, information and details as may be required by



Resultant Company to enable it to issue and allot Transferor Company 1 Merger Consideration Shares. In case details of the depository participant account of such shareholder have not been provided to Resultant Company prior to the Effective Date, Resultant Company shall deal with the relevant Transferor Company 1 Merger Consideration Shares in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding Transferor Company 1 Merger Consideration Shares in dematerialised form to a trustee nominated by the Board of Resultant Company who shall hold these equity shares in trust for the benefit of such shareholder, until such shareholder provides details of his / her / its depository participant account to Resultant Company in accordance with applicable laws, along with such documents as maybe required under applicable laws.

- 5.6.3. For the purpose of the allotment of Transferor Company 1 Merger Consideration Shares pursuant to Clause 5.5 of this Scheme, in case any Transferor Company 1 Eligible Shareholder is such that the member becomes entitled to a fractional number of Transferor Company 1 Merger Consideration Shares, Resultant Company shall not issue such fractional Transferor Company 1 Merger Consideration Shares but shall consolidate all such fractional entitlements of the Transferor Company 1 Eligible Shareholders, and the Board of Resultant Company shall, without any further act, instrument or deed, issue and allot such Transferor Company 1 Merger Consideration Shares that represent the consolidated fractional entitlements to the Trustee, who shall hold such Transferor Company 1 Merger Consideration Shares with all additions or accretions thereto, in trust for the benefit of the respective Transferor Company 1 Eligible Shareholders, who are entitled to such fractional entitlements (and their respective heirs, executors, administrators or successors) for the specific purpose of selling such Transferor Company 1 Merger Consideration Shares in the market within 90 (ninety) days from the date of allotment, and on such sale, distribute to the Transferor Company 1 Eligible Shareholders in proportion to their respective fractional entitlements, the net sale proceeds of such Transferor Company 1 Merger Consideration Shares (after deduction of applicable Taxes and costs incurred and subject to withholding tax, if any). It is clarified that any such distribution shall take place only after the sale of all the Transferor Company 1 Merger Consideration Shares that were issued and allotted to the Trustee pursuant to this Clause 5.6.3.
- 5.6.4. For the purpose of allotment of Transferor Company 1 Merger Consideration Shares pursuant to Clause 5.5 of this Scheme, any equity shares of Transferor Company 1 which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of court or otherwise, be held in abeyance by Resultant Company or shall be dealt with as provided under applicable laws.
- 5.6.5. Upon the approval of this Scheme by the members of Resultant Company pursuant to Section 232 of the Act, it shall be deemed that the members of Resultant Company have accorded their consent under Section 42 and 62 of the Act, and other applicable provision of the law. All actions taken in accordance with Clause 5.6 of this Scheme shall be deemed to be in compliance of Section 42, 62, and other provisions of the Act, and no further resolutions or actions under Section 42 and 62 of the Act or the rules and regulations thereunder, including *inter alia*, issuance of a letter of offer by Resultant Company, shall be required to be passed or undertaken.
- 5.6.6. Resultant Company shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities, including SEBI and the Stock Exchanges, for the issue and allotment of the Transferor Company 1 Merger Consideration Shares to the members of Transferor Company 1, pursuant to the effectiveness of this Scheme.

5.7. **Dissolution of Transferor Company 1**





- 5.7.1. Upon this Scheme becoming effective, Transferor Company 1 shall stand dissolved without being wound-up, without any further act or deed. On and from the Effective Date, (i) the Board of Transferor Company 1 shall, without any further acts, resolutions, filings, instruments, or deeds, cease to exist and stand dissolved; and (ii) the name of Transferor Company 1 shall be struck off from the records of the ROC.

**5.8. Accounting Treatment**

With effect from the Appointed Date and upon this Scheme becoming effective, Transferor Company 1 and Resultant Company shall comply with generally accepted accounting practices in India, provisions of the Act and accounting standards as notified by the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following:

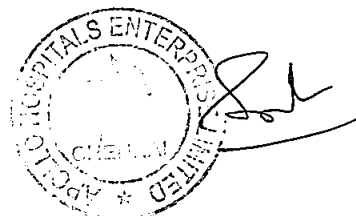
**5.8.1. In the Books of Transferor Company 1**

Transferor Company 1 shall stand dissolved without being wound up upon this Scheme becoming effective and the name of Transferor Company 1 shall be struck off from the records of the Registrar of Companies. Consequently, there is no accounting treatment which would have any impact or needs to be reflected in the books of Transferor Company 1.

**5.8.2. In the Books of Resultant Company**

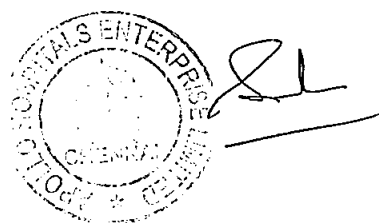
Resultant Company shall account for amalgamation of Transferor Company 1 in its books of accounts as per 'Pooling of interest Method' in compliance with Appendix C of the Indian Accounting Standard 103 Business Combinations and other Indian Accounting Standards as applicable and notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in the following manner:

- (i) Resultant Company shall record all the assets and Liabilities of Transferor Company 1 transferred and vested in it pursuant to the Scheme, at their respective carrying values as appearing in the books of accounts of Transferor Company 1 immediately prior to the effectiveness of this Scheme. No adjustments shall be made to reflect fair values, or recognize any new assets or Liabilities. The only adjustments that shall be made are to harmonize accounting policies;
- (ii) The identity of the reserves of Transferor Company 1 shall be preserved and Resultant Company shall record the reserves of Transferor Company 1 in the same form and at the carrying amount as appearing in the books of accounts of Transferor Company 1 immediately prior to the effectiveness of this Scheme;
- (iii) Resultant Company shall credit the equity share capital in its books of accounts with the aggregate face value of equity shares issued by it to the equity shareholders of Transferor Company 1 pursuant to Clause 5.5.3 of the Scheme. The value of all the investments in Transferor Company 1 transferred to Resultant Company as result of the demerger of the Identified Business Undertaking shall stand cancelled pursuant to amalgamation;
- (iv) Pursuant to the amalgamation of Transferor Company 1 with and into Resultant Company in accordance with this Scheme, the inter-company balances between Resultant Company and Transferor Company 1, if any, shall stand cancelled and there shall be no further



obligation in that behalf;

- (v) The surplus/deficit, if any, arising on account of carrying out the adjustments as specified in clauses (i) - (iv) above, shall be credited or debited as the case may be, to equity and classified as 'Capital Reserve' under the head 'other equity' in the financial statements of Resultant Company and shall be presented separately from other reserves with disclosure of its nature and purpose in the notes;
- (vi) In accordance with Clause 5.5.3 of the Scheme, in respect of settlement of holders of Compulsorily Convertible Preference Shares (CCPS) in Transferor Company 1, with equity shares of Resultant Company, Resultant Company shall in accordance with Ind AS 32, credit its equity share capital account in its books of accounts with the aggregate face value of the equity shares issued to the holders of CCPS of Transferor Company 1 and the excess, if any of the carrying value of CCPS over the face value of equity shares issued shall be credited to securities premium account of Resultant Company.
- (vii) In case of any difference in accounting policy between Transferor Company 1 and Resultant Company, the accounting policies followed by Resultant Company shall prevail to ensure that the financial statements reflect the financial position based on uniform accounting policies; and
- (viii) The comparative financial information in the financial statements of Resultant Company shall be restated as if the amalgamation in accordance with this Scheme had occurred from the beginning of the comparative period presented or from the date of incorporation of Resultant Company.



**PART-VI**

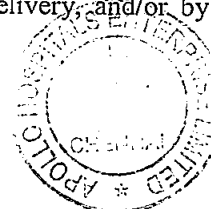
**6. AMALGAMATION OF TRANSFEROR COMPANY 2 INTO AND WITH RESULTANT COMPANY**

**6.1. Transfer and vesting of Transferor Company 2 into and with Resultant Company**

6.1.1. With effect from the Appointed Date and upon this Scheme becoming effective, Transferor Company 2 shall stand amalgamated into and with Resultant Company and all the assets and Liabilities and the entire business of Transferor Company 2 shall stand transferred to and vest in Resultant Company, as a going concern, without any further act or deed, together with all its properties, assets, Liabilities, rights, benefits and interest therein, subject to and in accordance with the provisions of this Scheme, Chapter XV of the Act and all applicable provisions of law.

6.1.2. Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, with effect from the Appointed Date and upon the Scheme becoming effective:

- (i) all immovable properties (including estates, land, together with buildings and structures standing thereon and any other immovable property), and all rights, title, claims, interests and authorities accrued, acquired, or embedded to the land, in any immovable properties by Transferor Company 2, if any, whether or not included in the books of Transferor Company 2, whether freehold or leasehold or licensed, all tenancies, and any documents of title, lease, license, rent agreements, security deposits, advance, prepaid lease/license fee, rights and easements in relation thereto, shall, without any further act, instrument or deed, stand transferred to and vested in and/or be deemed to have been transferred to and vested in Resultant Company and shall become the immovable properties, right, title, claims, interests and authorities of Resultant Company. Upon the Scheme coming into effect on the Effective Date, Resultant Company shall be entitled to exercise all rights and privileges attached thereto including refund of any security deposits, advance, prepaid fee and shall be liable to pay all Taxes, rent and charges, and fulfil all obligations, in relation to or applicable to such immovable properties, if any, and the relevant landlords, owners and lessors shall continue to comply with the terms, conditions and covenants under all relevant lease/license or rent agreements. Upon the Scheme coming into effect on the Effective Date, the title to all the immovable properties of Transferor Company 2, if any, shall be deemed to have been mutated and recognised as that of Resultant Company and the mere filing of the Sanction Order with the appropriate registrar and sub-registrar or with the relevant governmental authority shall suffice as record of Resultant Company's title to such immovable properties and shall constitute a deemed mutation and substitution thereof. The relevant governmental authorities may rely on the Scheme along with copy of the Sanction Order, to make necessary mutation entries and changes in the land or revenue records to reflect the name of Resultant Company as the owner or lessee (as the case may be) of the immovable properties. Resultant Company shall, in pursuance of the Sanction Order be entitled to the delivery and possession of all documents of title in respect of such immovable property, if any, in this regard. Each of the immovable properties, only for the purposes of the payment of stamp duty (if required under applicable law), shall be deemed to be conveyed at a value determined in accordance with the applicable laws. The transfer of such immovable properties shall form an integral part of this Scheme.
- (ii) all assets including Intellectual Property of Transferor Company 2, whether tangible or intangible, which are movable in nature or incorporeal property, or are otherwise capable of being transferred by physical or constructive delivery, and/or by endorsement and



delivery, or by vesting and recordal of whatsoever nature, wherever located, whether or not included in the books of Transferor Company 2, including without limitation equipment, furniture, fixtures, books, records, files, papers, computer programs, engineering and process information, manuals, data, production methodologies, production plans, catalogues, quotations, websites, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form or in any other form, shall stand vested and/or deemed to be transferred and vested in Resultant Company, and shall become the property of Resultant Company, without any further act, instrument or deed.

- (iii) any and all assets of Transferor Company 2, other than those described in sub-clauses (i) and (ii) above, including actionable claims, sundry debtors, receivables, bank balances, outstanding loans and advances, credits (including Tax credits), advance tax, input tax credit relating to indirect taxes and any other Tax balances recoverable in cash or in kind, investments (including any and all Indian and overseas investments made by Transferor Company 2, including in its subsidiaries), earnest money or deposits with government, quasi government, local or other authority or body or with any company or other person, cheques on hand are deemed to be transferred to, and vested in, Resultant Company without any further act, instrument or deed (including any associated costs or charges). On and from the Effective Date, Resultant Company shall be entitled to the delivery and possession of all documents of title of such movable property in this regard.
- (iv) all Encumbrances over any moveable and/or immoveable properties, if any, created/executed by any person in favour of Transferor Company 2 for securing the obligations of the persons to whom Transferor Company 2 has advanced loans and granted other funded and non-funded financial assistance, by way of letter of comfort or through other similar instruments shall, pursuant to the provisions of Section 232 of the Act and without any further act, instrument or deed, stand vested in and be deemed to be in favour of Resultant Company and the benefit of such security shall be available to Resultant Company as if such security was *ab initio* created in favour of Resultant Company. The mutation or substitution of the charge in relation to the movable and immovable properties of Transferor Company 2 shall, upon the Scheme becoming effective, be made and duly recorded in the name of Resultant Company by the appropriate authorities and third parties (including any depository participants) pursuant to the Sanction Order and upon the Scheme becoming effective in accordance with the terms hereof.
- (v) all Liabilities of Transferor Company 2 shall stand transferred to and vested in Resultant Company, and the same shall be assumed to the extent they are outstanding on the Appointed Date and become and be deemed to be the Liabilities of, and shall, upon effectiveness of this Scheme, without any further act, instrument or deed, be discharged by Resultant Company on the same terms and conditions as were applicable to Transferor Company 2. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person, who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause 6.1.2(v). Any reference in any security documents or arrangements to Transferor Company 2 and its assets and properties shall be construed as a reference to Resultant Company and the assets and properties of Transferor Company 2 transferred to Resultant Company by virtue of effectiveness of this Scheme. The provisions of this Clause 6.1.2 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing to which the relevant Liability relates to or the terms of sanction or issue or any security



document, all of which instruments, deeds or writings shall stand modified by the foregoing provisions.

- (vi) the secured creditors of Resultant Company (as existing immediately prior to the effectiveness of this Scheme), if any, shall only continue to be entitled to security over such properties and assets forming part of Resultant Company, as existing immediately prior to the effectiveness of this Scheme. The existing Encumbrances (if any), as on the Appointed Date, over the assets of Transferor Company 2 or any part thereof, shall, after the Appointed Date, continue to relate and attach to such assets or any part thereof to which they related or were attached immediately prior to the Effective Date, and such Encumbrances shall not relate or attach to any of the other assets of Resultant Company. It is hereby clarified that all the assets of Resultant Company and Transferor Company 2 which are not Encumbered immediately prior to the Effective Date, shall remain free and available for creation of any security thereon in future in relation to any new indebtedness that may be incurred by Resultant Company. For this purpose, no further consent from the existing secured creditors shall be required and sanction of this Scheme shall be considered as a specific consent of such secured creditors.
- (vii) all direct and indirect Taxes of any nature, duties and cess or any other like payment, including (but not limited to) income Tax, security transaction Tax, dividend distribution Tax, buy back Tax, foreign Tax credit, equalization levy, value added Tax, central sales Tax, excise duty, customs duty, minimum alternate Tax, advance Tax, GST, self assessment Tax, TDS or Tax collected at source or any other like payments made by Transferor Company 2 to any statutory authorities, or other collections made by Transferor Company 2 and relating to the period up to the Effective Date, shall, without any further act, instrument or deed, be deemed to have been on account of, or on behalf of, or paid by, or made by Resultant Company. All deductions otherwise admissible to Transferor Company 2 including without limitation deduction admissible on actual payments or on deduction of appropriate Taxes or on payment of TDS (including, but not limited to, claim for sum prescribed under section 43B, Section 40, Section 35DD and Section 94B of the IT Act), claim for deduction of provisions written back by Transferor Company 2 previously disallowed under the IT Act in the hands of Transferor Company 2, claim for debt or part of debt written off under Section 36(1)(vii) read with Section 36(2) of the IT Act, where such debt or part of the debt were offered to Tax by Transferor Company 2, and claim for any deferred payments shall be eligible for deduction to Resultant Company in the same manner and to the same extent as would have been enjoyed, availed or utilized by Transferor Company 2. Further, Resultant Company shall be entitled to exclude items such as provisions, reversals, etc., for which no deduction or Tax benefit has been claimed by Resultant Company prior to the Appointed Date. Resultant Company shall be entitled to claim credit for TDS /Taxes collected at source/paid against Tax liabilities/duty liabilities/minimum alternate Tax, advance Tax, GST, value added Tax liability and any other credits etc., notwithstanding the certificates/challans or other documents for payment of such Taxes/duties, as the case may be, are in the name of Transferor Company 2. All Taxes payable by or refundable to or being the entitlement of Transferor Company 2, including without limitation all or any refunds or claims shall be treated as the Tax liability or refunds/credits/claims, as the case may be, of Resultant Company, and any Tax incentives, advantages, privileges, exemptions, credits, entitlements (including, but not limited to, credits in respect of income Tax, carry forward Tax losses, unabsorbed depreciation, closing balance of CENVAT, value added Tax, central sales Tax, excise duty, turnover Tax, GST, security transaction Tax, minimum alternate Tax and duty entitlement credit certificates), holidays, remissions, reductions, as would have been available to



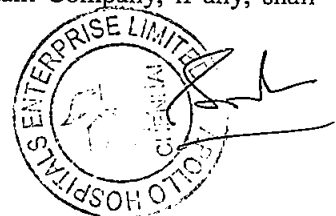
Transferor Company 2, shall be available to Resultant Company, subject to the provisions of applicable laws. All the expenses incurred by Transferor Company 2 and Resultant Company in relation to the transfer and vesting of Transferor Company 2 with Resultant Company in accordance with Part VI of this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to Resultant Company in accordance with section 35DD of the IT Act over a period of 5 (five) years from the Appointed Date. Resultant Company shall undertake all necessary compliances prescribed under applicable laws to, and Transferor Company 2 shall, prior to the Effective Date, extend its cooperation to Resultant Company to, effectuate transfer of all credits including GST of Transferor Company 2 to Resultant Company. Resultant Company shall have the right to file and/or revise the financial statements, income Tax returns, TDS certificates and other statutory returns and filings, if required, including that of Transferor Company 2, even if the relevant due dates set out under applicable laws may have expired.

- (viii) all Tax assessment proceedings/appeals of whatsoever nature, by or against Transferor Company 2 pending and/or arising shall be continued and/or enforced until the Effective Date by Transferor Company 2. In the event of Transferor Company 2 failing to continue or enforce any proceeding/appeal, the same may be continued or enforced by Resultant Company, at the cost of Resultant Company. From the Effective Date, the Tax proceedings shall be continued and enforced by or against Resultant Company in the same manner and to the same extent as would or might have been continued and enforced by or against Transferor Company 2.
- (ix) Tax deposited, certificates issued or returns filed by Transferor Company 2 shall continue to hold good as if such amounts were deposited, certificates were issued, and returns were filed by Resultant Company.
- (x) the aforementioned proceedings in clause 6.1.2 (viii) shall not abate or be discontinued nor be in any way prejudicially affected by reason of the transfer and vesting of Transferor Company 2 with Resultant Company or anything contained in the Scheme.
- (xi) any refund under the IT Act or any other Tax laws related to or due to Transferor Company 2, including those for which no credit is taken as on the date immediately preceding the Appointed Date, shall also belong to and be received by Resultant Company.
- (xii) all approvals (including in-principle approvals), consents, clearances, exemptions, registrations, no-objection certificates, permits (including municipal permits), quotas, rights, entitlements, licenses (including the licenses granted by, or any pending application made to, any governmental, statutory or regulatory bodies for the purpose of carrying on business or in connection therewith) and certificates of every kind and description whatsoever held by Transferor Company 2, or to the benefit of which Transferor Company 2 may be eligible/entitled and which are subsisting or having effect immediately prior to the Effective Date; all incentives, subsidies, claims, leases, tenancy rights, powers, liberties, facilities, allotments, insurance cover, authorities, privileges, affiliations, easements, rehabilitation schemes, tax deferrals, sanctions, remissions, special reservations, service-tax/ value added tax exemptions, GST exemptions/incentives, special status and other benefits or privileges and all rights and benefits thereto that have accrued to or enjoyed by or conferred upon or held or availed by Transferor Company 2 which are subsisting or having effect immediately prior to the Effective Date, shall, under the provisions of Chapter XV of the Act and all other provisions of applicable laws, without any further act, instrument or deed (including any associated cost or charges) and without



any notice or other intimation to any third party for transfer of the same, shall stand transferred to and vest in and/or be deemed to be transferred to and vested in and be available to Resultant Company so as to become licenses, permits, entitlements, approvals, permissions, registrations, incentives, tax deferrals, exemptions and benefits, subsidies, liberties, special status of every kind and description, and other benefits or privileges thereto of Resultant Company and shall remain valid, effective and enforceable on the same terms and conditions, to the extent permissible under applicable laws.

- (xiii) all contracts, deeds, bonds, agreements, schemes, arrangements, letters of intent, request for proposal, pre-qualifications, bid acceptances, tenders, and other instruments of whatsoever nature in relation to Transferor Company 2, or to the benefit of which, Transferor Company 2 may be eligible, shall continue to be in full force and effect on, against or in favour of Resultant Company and may be enforced as fully and effectually as if, instead of Transferor Company 2, Resultant Company had been a party or beneficiary or obligor thereto. For the avoidance of doubt, it is hereby clarified that it is not necessary to obtain the consent of any third party or other person who is a party to any such contract, deed, bond, agreement, scheme, arrangement, letters of intent, request for proposal, pre-qualifications, bid acceptances, tenders, or other instrument in order to give effect to the provisions of this Clause 6.1.2(xiii), and the approval of this Scheme by the NCLT is deemed sufficient for the purposes of giving effect to the provisions of this Clause.
- (xiv) all employees of Transferor Company 2 who are on its payrolls as on the Effective Date, shall become employees of Resultant Company with effect from the Effective Date, on such terms and conditions as are no less favourable than those on which they are engaged by Transferor Company 2, immediately prior to the Effective Date, without any interruption of service as a result of this amalgamation of Transferor Company 2 into and with Resultant Company. With regard to any special scheme(s) or benefits created or existing for the benefit of such employees of Transferor Company 2 (if any), Resultant Company shall stand substituted for Transferor Company 2 for all purposes whatsoever, upon this Scheme becoming effective, in accordance with the provisions of applicable laws or otherwise. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of Transferor Company 2 for such purpose shall be treated as having been continuous.
- (xv) all notices, disputes, pending suits, appeals or other proceedings of any nature whatsoever including legal, Tax or other proceedings, if any, relating to Transferor Company 2, whether by or against Transferor Company 2, shall not abate, be discontinued or in any way be prejudicially affected by reason of anything contained in this Scheme, including the amalgamation of Transferor Company 2 into and with Resultant Company, and the proceedings will continue and any prosecution will be enforced by or against Resultant Company, after the Effective Date, in the same manner and to the same extent as would or might have been continued, prosecuted or enforced by or against Transferor Company 2, as if this Scheme had not been implemented. Resultant Company undertakes to have all legal or other proceedings initiated by or against Transferor Company 2 transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against Transferor Company 2.
- (xvi) all loans, advances and other obligations due from Transferor Company 2 to Resultant Company or *vice versa*, if any, and all contracts, deeds, arrangements and other instruments executed by and between Transferor Company 2 and Resultant Company, if any, shall



stand cancelled and shall have no effect and there shall be no Liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of Resultant Company.

- 6.2. Without prejudice to the foregoing provisions of this Scheme, if the consent of either a third party or governmental authority is required to give effect to any provision of Clause 6.1.2 above, the said third party or governmental authority shall, subject to the provisions of applicable laws, provide such consent and shall make and duly record the necessary substitution/endorsement in the name of Resultant Company pursuant to the Sanction Order, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, Resultant Company may, at any time after effectiveness of this Scheme, in accordance with the provisions hereof, or if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), instruments, documents and / or writings, or issue confirmations, or enter into tripartite arrangements with any party to any contract or arrangement to which Transferor Company 2 is a party, and do all such acts as may be required, including obtaining necessary consents, filings appropriate applications/ documents with the relevant governmental and regulatory authorities (including the Registrar), for information and record purposes and to give formal effect to the above provisions. Resultant Company shall for this purpose, under the provisions hereof, be deemed to have been authorized to execute any such writings as the successor entity of Transferor Company 2 and to carry out or perform all such acts, formalities or compliances referred to above, *inter alia*, in its capacity as the successor entity of Transferor Company 2.

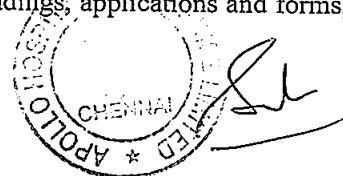
**6.3. Conduct of Business upto and upon Effectiveness of this Scheme**

Conduct of Business upto Effectiveness of this Scheme

- 6.3.1. Until this Scheme becomes effective in accordance with its terms, Transferor Company 2 undertakes to carry on and shall be deemed to have carried on the business activities of Transferor Company 2 and shall stand possessed of the properties and assets of Transferor Company 2, for and on behalf of and in trust for Resultant Company.
- 6.3.2. Resultant Company shall be entitled, pending the sanction of this Scheme, to apply to the appropriate authorities concerned as necessary under applicable law for such consents, approvals and sanctions which Resultant Company may require to carry on the business of Transferor Company 2.

Conduct of Business upon Effectiveness of this Scheme

- 6.3.3. Upon this Scheme becoming effective from the Effective Date, Resultant Company shall carry on and shall be authorised to carry on, and will carry on, the businesses of Transferor Company 2 under the relevant license and/or permit and/or approval *etc.*, as the case may be, pursuant to the effectiveness of the Scheme on its own account, pending the transfer of any approvals and other consents, permissions, quotas, rights, authorizations, entitlements, no-objection certificates and licenses, privileges, powers and facilities of every kind and description, that may be required under applicable law, in the name of Resultant Company and would be entitled to make any applications, requests and the like in this regard.
- 6.3.4. For the purpose of giving effect to this Scheme, Resultant Company is, at any time pursuant to the orders approving this Scheme, entitled to get the recordal of the change in the legal right(s) as a consequence of the amalgamation undertaken in terms of this Scheme. Resultant Company is and will always be deemed to have been authorised to execute any pleadings, applications and forms,





as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme.

- 6.3.5. Upon this Scheme becoming effective, all profits accruing to Transferor Company 2 and all Taxes thereof or losses arising or incurred by it shall, for all purposes be treated as the profits, Taxes or losses as the case may be of Resultant Company.
- 6.3.6. Upon this Scheme becoming effective, Resultant Company, unconditionally and irrevocably, agrees and undertakes to pay, discharge and satisfy all Liabilities of Transferor Company 2 with effect from the Appointed Date, in order to give effect to the foregoing provisions.

#### 6.4. **Consideration**

- 6.4.1. After this Scheme is sanctioned but before the Effective Date, the Board of Directors of Transferor Company 2 will, in consultation with Resultant Company, determine the record date for issue and allotment of Resultant Company Shares to the Transferor Company 2 Eligible Shareholders ("**Record Date 3**"). Upon determination of Record Date 3 in terms of Clause 6.4.1, Transferor Company 2 will provide to Resultant Company, the list of its shareholders as on such date, who are entitled to receive the Resultant Company Shares in terms of this Scheme ("**Transferor Company 2 Eligible Shareholders**") in order to enable Resultant Company to issue and allot the Resultant Company Shares to such shareholders in terms of Clause 6.4.2.
- 6.4.2. Upon this Scheme becoming effective and in consideration of the amalgamation and merger of Transferor Company 2 into and with Resultant Company, Resultant Company will issue the Resultant Company Shares to Transferor Company 2 Eligible Shareholders in the ratio ("**Transferor Company 2 Merger Share Entitlement Ratio**"), such that:

For every 100 (one hundred) equity shares held by the Transferor Company 2 Eligible Shareholder in Transferor Company 2, such Transferor Company 2 Eligible Shareholder shall receive 3045.2 (three thousand forty five point two) Resultant Company Shares.

The Resultant Company Shares issued and allotted to the Transferor Company 2 Eligible Shareholders pursuant to this Clause 6.4.2 shall hereinafter be referred to as "**Transferor Company 2 Merger Consideration Shares**".

It is clarified that no equity shares shall be issued by Resultant Company, nor payment made in cash, in respect of equity shares held in Transferor Company 2 by Resultant Company as a result of the amalgamation of Transferor Company 1 into and with Resultant Company in accordance with this Scheme. Upon effectiveness of this Scheme, the investment in the shares of the Transferor Company 2 appearing in the books of account of the Resultant Company, as a result of the amalgamation of Transferor Company 1 into Resultant Company shall, without any further act or deed, stand cancelled.

- 6.4.3. Transferor Company 2 may, any time prior to Record Date 3, *inter alia*, restructure its equity share capital including by way of share split/ consolidation/ issue of bonus shares, or any other similar corporate action. In such event, the Transferor Company 2 Merger Share Entitlement Ratio shall be adjusted appropriately to take into account the effect of such issuance or corporate actions, without requirement of any further approval from any authority.
- 6.4.4. Upon the issuance and allotment of the Transferor Company 2 Merger Consideration Shares to the Transferor Company 2 Eligible Shareholders in accordance with Clause 6.4.2, the equity shares



issued by Transferor Company 2 will stand cancelled and the reduction of the relevant shares shall be effected, by operation of law, without payment of any consideration or any further act or deed by Transferor Company 2 and/or Resultant Company. The consent of the shareholders of Resultant Company to this Scheme shall be deemed to be sufficient for the purposes of effecting such changes to its share capital, and no further resolution or action under the provisions of the Act, including under Section 52 or Section 66 of the Act, as may be applicable, shall be required to be separately passed or taken.

#### 6.5. Issuance Mechanics and other Provisions

- 6.5.1. Transferor Company 2 Merger Consideration Shares to be issued and allotted by Resultant Company in terms of Clause 6.4 of this Scheme shall be subject to the provisions of the memorandum of association and the articles of association of Resultant Company and shall rank *pari passu* in all respects with the existing equity shares of Resultant Company, including with respect to dividend, bonus entitlement, right shares' entitlement, voting rights and other corporate benefits.
- 6.5.2. Transferor Company 2 Merger Consideration Shares shall be issued in dematerialised form by Resultant Company. The Transferor Company 2 Eligible Shareholders must undertake all necessary steps, and provide such confirmation, information and details as may be required by Resultant Company to enable it to issue and allot Transferor Company 2 Merger Consideration Shares. In case details of the depository participant account of such shareholder have not been provided to Resultant Company prior to the Effective Date, Resultant Company shall deal with the relevant Transferor Company 2 Merger Consideration Shares in such manner as may be permissible under the Applicable Law, including by way of issuing the corresponding Transferor Company 2 Merger Consideration Shares in dematerialised form to a trustee nominated by the Board of Resultant Company who shall hold these equity shares in trust for the benefit of such shareholder, until such shareholder provides details of his / her / its depository participant account to Resultant Company in accordance with applicable laws, along with such documents as maybe required under applicable laws.
- 6.5.3. For the purpose of the allotment of Transferor Company 2 Merger Consideration Shares pursuant to Clause 6.4 of this Scheme, in case any Transferor Company 2 Eligible Shareholder is such that the member becomes entitled to a fractional number of Transferor Company 2 Merger Consideration Shares, Resultant Company shall not issue such fractional Transferor Company 2 Merger Consideration Shares but shall consolidate all such fractional entitlements of the Transferor Company 2 Eligible Shareholders, and the Board of Resultant Company shall, without any further act, instrument or deed, issue and allot such Transferor Company 2 Merger Consideration Shares that represent the consolidated fractional entitlements to the Trustee, who shall hold such Transferor Company 2 Merger Consideration Shares with all additions or accretions thereto, in trust for the benefit of the respective Transferor Company 2 Eligible Shareholders, who are entitled to such fractional entitlements (and their respective heirs, executors, administrators or successors) for the specific purpose of selling such Transferor Company 2 Merger Consideration Shares in the market within 90 (ninety) days from the date of allotment, and on such sale, distribute to the Transferor Company 2 Eligible Shareholders in proportion to their respective fractional entitlements, the net sale proceeds of such Transferor Company 2 Merger Consideration Shares (after deduction of applicable Taxes and costs incurred and subject to withholding tax, if any). It is clarified that any such distribution shall take place only after the sale of all the Transferor Company 2 Merger Consideration Shares that were issued and allotted to the Trustee pursuant to this Clause 6.5.3.



- 6.5.4. For the purpose of allotment of Transferor Company 2 Merger Consideration Shares pursuant to Clause 6.5 of this Scheme, any equity shares of Resultant Company which are held in abeyance under the provisions of Section 126 of the Act or otherwise shall, pending allotment or settlement of dispute by order of court or otherwise, be held in abeyance by Resultant Company or shall be dealt with as otherwise provided under applicable laws.
- 6.5.5. Upon the approval of this Scheme by the members of Resultant Company pursuant to Section 232 of the Act, it shall be deemed that the members of Resultant Company have accorded their consent under Section 42 and 62 of the Act and other applicable provision of the law. All actions taken in accordance with Clause 6.5 of this Scheme shall be deemed to be in compliance of Section 42, 62, and other provisions of the Act, and no further resolutions or actions under Section 42 and 62 of the Act or the rules and regulations thereunder, including *inter alia*, issuance of a letter of offer by Resultant Company, shall be required to be passed or undertaken.
- 6.5.6. Resultant Company shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities, including SEBI and the Stock Exchanges, for the issue and allotment of the Transferor Company 1 Merger Consideration Shares to the members of Transferor Company 2, pursuant to the effectiveness of this Scheme.

**6.6. Dissolution of Transferor Company 2**

Upon this Scheme becoming effective, Transferor Company 2 shall stand dissolved without being wound-up, without any further act or deed. On and from the Effective Date, (i) the Board of the Transferor Company 2, shall, without any further acts, resolutions, filings, instruments, or deeds, cease to exist and stand dissolved; and (ii) the name of the Transferor Company 2 shall be struck off from the records of the ROC.

**6.7. Accounting Treatment**

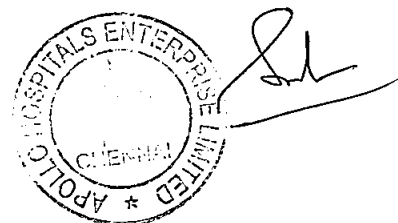
With effect from the Appointed Date and upon coming into effect of this Scheme, Transferor Company 2 and Resultant Company shall comply with generally accepted accounting practices in India, provisions of the Act and accounting standards as notified by the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, in relation to the underlying transactions in the Scheme including but not limited to the following:

**6.7.1. In the Books of Transferor Company 2**

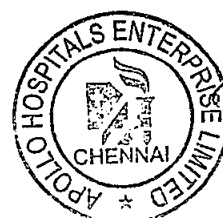
Transferor Company 2 shall stand dissolved without being wound up, and the name of the Transferor Company 2 shall be struck off from the records of the Registrar of Companies. Consequently, there is no accounting treatment which would have any impact or needs to be reflected in the books of Transferor Company 2.

**6.7.2. In the Books of Resultant Company**

Resultant Company shall account for amalgamation of Transferor Company 2 in its books of account as per 'Acquisition Method' in compliance with the Indian Accounting Standard 103 Business Combinations and other Indian Accounting Standards as applicable and notified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, in the following manner:



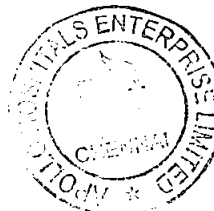
- (i) All the assets and Liabilities of Transferor Company 2 transferred to and vested in Resultant Company pursuant to the Scheme shall be recorded in the books of accounts of Resultant Company at their respective fair values as on the Appointed Date;
- (ii) Resultant Company shall credit the equity share capital account in its books of accounts with the aggregate face value of the equity shares issued to the shareholders of the Transferor Company 2 in terms of Clause 6.4.2 of the Scheme. The excess, if any of the fair value of the equity shares over the face value of new equity shares issued shall be credited to securities premium;
- (iii) Pursuant to the amalgamation of Transferor Company 2 with and into Resultant Company, the inter-company balances between Resultant Company and Transferor Company 2, if any, shall stand cancelled and there shall be no further obligation in that behalf;
- (iv) The investments in the equity share capital of Transferor Company 2 as appearing in the books of accounts of Resultant Company (as a result of the amalgamation of Transferor Company 1 with and into the Resultant Company in accordance with this Scheme), shall stand cancelled; and
- (v) The difference, if any, between the fair value of assets and Liabilities recorded under sub-clause (i) above and the aggregate fair value of share capital issued as per sub-clause (ii), after providing for adjustments as stated in sub-clauses (iii) and (iv) above, being a debit balance shall be accounted as goodwill / being a credit balance shall be accounted as Capital Reserve under the head "other equity", in the books of Resultant Company.



## PART-VII

### 7. LISTING OF EQUITY SHARES OF RESULTANT COMPANY

- 7.1. Upon this Scheme becoming effective, but subject to the execution of the listing agreement and payment of the appropriate fees by Resultant Company and pursuant to the provisions of SEBI Circular, all equity shares of Resultant Company (including those allotted pursuant to Parts III, V and VI of this Scheme) shall be listed on the Stock Exchanges and admitted to trading. Resultant Company shall apply (as required) to all the Stock Exchanges where the shares of AHEL are listed for the listing and admission (to trading) of all equity shares of Resultant Company. Resultant Company shall enter into such arrangements with, complete such formalities and give undertakings to, if any, the Stock Exchanges as may be necessary in accordance with the applicable laws for listing of equity shares of Resultant Company.
- 7.2. Subject to any dispensation granted by SEBI and/or the Stock Exchanges, from the Effective Date, equity shares of Resultant Company (including those allotted pursuant to Parts III, V and VI of this Scheme by Resultant Company) shall remain frozen in the depositories system until permission for listing is granted by the Stock Exchanges. From the Effective Date, and until such time as the equity shares of Resultant Company are listed on the Stock Exchanges, except as provided for under this Scheme, there shall be no change in the shareholding pattern of Resultant Company which may impact the status of listing/trading approval from the Stock Exchanges.
- 7.3. Subsequent to listing of equity shares of Resultant Company on the Stock Exchanges, the percentage of shareholding of the pre-scheme public shareholders of AHEL, in the post scheme shareholding pattern of Resultant Company on a fully diluted basis, shall not be less than 25% (twenty five percent), in accordance with the provisions of the SEBI Circular.



## PART-VIII

### 8. MANAGEMENT INCENTIVE ARRANGEMENT

8.1. An upside share agreement dated June 30, 2025 (“**Upside Agreement**”) has been executed between Rasmeli Limited (an existing shareholder of Transferor Company 1) (“**Rasmeli**”) and Ms. Shobana Kamineni (the promoter of Transferor Company 1) (“**AHL Promoter**”), wherein Rasmeli has agreed to share an agreed portion of the upside received by it (and its Affiliates (as defined under the Upside Agreement)) pursuant to its investment into Transferor Company 1 with the AHL Promoter and such employees of Transferor Company 1 (or any successor entity), its (existing and future) subsidiaries and (existing and future) associate companies as identified by the AHL Promoter at the time of exercise of the right to receive such upside (“**Upside Recipients**”), in order to incentivise the management of such companies.

8.2. In terms of the Upside Agreement:

- (i) in the event that Rasmeli or any of its affiliates transfers any of its shareholding in Transferor Company 1 (or any successor entity) to a third party (“**Relevant Transfer Event**”), Rasmeli is required to transfer a percentage of the upside (being the difference of: (a) the proceeds received by Rasmeli or any of its affiliates from its investment (including pursuant to all prior Relevant Transfer Events), and (b) the amount invested by it in Transferor Company 1) (“**Transfer Upside Entitlement**”), to the Upside Recipients, computed in accordance with Clause 8.3 below; and
- (ii) upon the occurrence of the later of: (i) expiry of 6 (six) years from the date of listing of the shares of Resultant Company on the Stock Exchanges, and (ii) transfer of shares by Rasmeli to a continuation fund (“**Fulfilment Period Upside Trigger Event**”), Rasmeli is required to transfer a percentage of the deemed upside (“**Fulfilment Period Upside Entitlement**”), in relation to the shares held by the continuation fund, with the Upside Recipients, computed in accordance with Clause 8.3 below.

8.3. The upside required to be shared by Rasmeli with the Upside Recipients (“**Relevant Upside Entitlement**”) for the purposes of Clause 8.2 shall be in the form of shares and/or cash, and shall be computed in the following manner:

- (i) For the purposes of Clause 8.2(i), the Transfer Upside Entitlement shall be computed as follows:

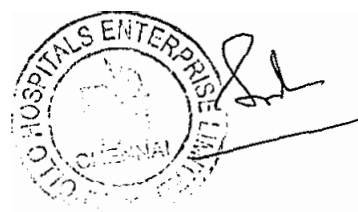
Transfer Upside Entitlement = (A minus B) multiplied by C

Where:

A = the aggregate proceeds received by Rasmeli pursuant to the transfer of its shareholding in Transferor Company 1 (or any successor entity) in all Relevant Transfer Events along with any any dividends or other distributions received with respect to such shares (“**Aggregate Transfer Proceeds**”);

B = the aggregate amount invested by Rasmeli in Transferor Company 1 towards the acquisition of its shareholding (“**Aggregate Investment Amount**”); and

C = Relevant Percentage Entitlement, calculated as follows:



if the "Relevant Investor MOIC" is:	the consequent "Relevant Percentage Entitlement" shall be:
<2.5	1%
≥2.5, but <3	1.5%
≥3, but <3.25	5%
≥3.25, but <3.5	7%
≥3.5, but <4	8%
≥4	9%

where the **Relevant Investor MOIC** = Aggregate Transfer Proceeds *divided by* Aggregate Investment Amount.

- (ii) For the purposes of Clause 8.2(ii), the Fulfilment Period Upside Entitlement shall be computed as follows:

Fulfilment Period Upside Entitlement = (A minus B) *multiplied by* C

Where:

A = the aggregate of: (i) the Aggregate Proceeds; and (ii) the amount that Rasmeli and its Affiliates would have received in the event that the shareholding held by Rasmeli and its Affiliates as on the date of occurrence of the Fulfilment Period Upside Trigger Event ("Fulfilment Period Upside Trigger Event Date") at the Market Value (collectively, **Deemed Fulfilment Proceeds**);

B = Aggregate Investment Amount; and

C = Relevant Percentage Entitlement, calculated as follows:

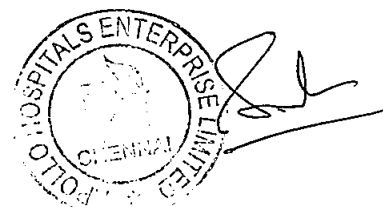
if the "Relevant Investor MOIC" is:	the consequent "Relevant Percentage Entitlement" shall be:
<2.5	1%
≥2.5, but <3	1.5%
≥3, but <3.25	5%
≥3.25, but <3.5	7%
≥3.5, but <4	8%
≥4	9%

where the **Relevant Investor MOIC** = Deemed Fulfilment Proceeds *divided by* Aggregate Investment Amount.

For the purposes of calculation of Fulfilment Period Upside Entitlement, the "**Market Value**" means the volume-weighted average market price of the shares of Transferor Company 1 (or any successor entity) quoted on the recognised stock exchange for a period of 60 (sixty) trading days immediately preceding the Fulfilment Period Upside Trigger Event Date.

- (iii) Where the Relevant Upside Entitlement is to be transferred in the form of shares of Transferor Company 1 (or any successor entity) ("**Upside Shares**"), the number of Upside Shares will be computed as follows:

Upside Shares = A *divided by* B



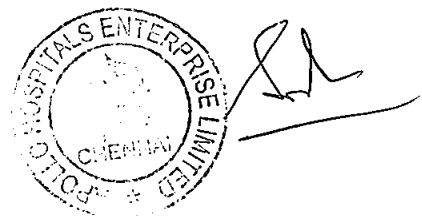
Where:

A = Relevant Upside Entitlement; and

B = the Relevant Price, being:

- a. with respect to Transfer Upside Entitlement, the average price at which shares have been transferred by Rasmeli pursuant to the Relevant Transfer Event ("**Average Transfer Price**"); or
- b. with respect to Fulfilment Period Upside Entitlement, the Market Value.

- 8.4. It is hereby clarified that, upon the effectiveness of the Scheme, the obligation of Rasmeli to provide upside (in relation to its shareholding in Transferor Company 1) to the Upside Recipients in accordance with the Upside Agreement would stand automatically linked to the shareholding of Rasmeli in Resultant Company.
- 8.5. It is clarified that upon this Scheme being approved by the Board and requisite majority of the shareholders of the companies involved in this Scheme pursuant to Sections 230-232 and other relevant provisions of the Act and rules made thereunder, the SEBI Circular and the Listing Regulations, if applicable, the consent of the Board of Directors and members of the companies involved in this Scheme shall also be deemed to be their consent for the approval of the Upside Agreement, under applicable provisions of the Act and rules made thereunder, the relevant provisions of the Listing Regulations (including Regulation 26(6) thereof) and the articles of association of the relevant company, as may be applicable, and no further resolutions or actions, shall be separately required to be passed/ undertaken in this respect.





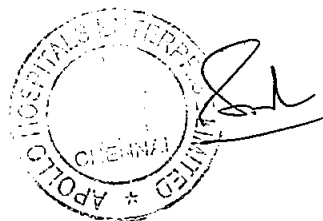
## PART-IX

### 9. MISCELLANEOUS AND GENERAL PROVISIONS

#### 9.1. Effective Date

9.1.1. The demerger of the Identified Business Undertaking from AHEL into Resultant Company, the amalgamation of Transferor Company 1 into and with Resultant Company and the amalgamation of Transferor Company 2 into and with Resultant Company and the effectiveness of Parts III, V and VI of this Scheme and all other provisions of this Scheme pertaining to the demerger of the Identified Business Undertaking from AHEL into Resultant Company, the amalgamation of Transferor Company 1 into and with Resultant Company and the amalgamation of Transferor Company 2 into and with Resultant Company, is conditional upon, and becomes effective on the last date on which (“Effective Date”):

- (i) this Scheme is approved and sanctioned by the NCLT under Sections 230-232 and other applicable provisions of the Act;
- (ii) no-objection/ observation letter is received from the Stock Exchanges in relation to this Scheme under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended);
- (iii) this Scheme having been approved by the public shareholders of AHEL through e-voting in terms of Part – I (A)(10)(a) and I(A)(10)(b) of the SEBI Circular, such that the votes cast by the public shareholders of AHEL in favour of the proposal are more than the number of votes cast by the public shareholders (of AHEL) against it;
- (iv) this Scheme having been approved by the requisite majority of each class of shareholders / creditors of the Companies as may be required under the Act or as may be directed by the NCLT;
- (v) Resultant Company having issued and allotted the Rights Issue Shares to the equity shareholders of Resultant Company in consideration of the contribution of the Rights Issue Subscription Amount by such shareholders, in accordance with applicable law, such that the capital structure of Resultant Company immediately following the allotment of the Rights Issue Shares to equity shareholders of Resultant Company is as set out in Clause 2.2.2(i);
- (vi) the requisite corporate approvals required under Applicable Law having been obtained by Demerged Company and Transferor Company 1 in relation to the business framework agreement dated June 30, 2025 (“**Business Framework Agreement**”) executed between Demerged Company and Transferor Company 1 and the Brand Governance Agreement (*as defined in the Business Framework Agreement*);
- (vii) the requisite consent, approval or permission of statutory or regulatory authorities which may be necessary for the implementation of this Scheme has been obtained, including approval of the Competition Commission of India and the Insurance Regulatory and Development Authority of India, in accordance with the provisions of applicable laws, to consummate this Scheme and other transactions contemplated under this Scheme, in each case, in a form and substance satisfactory to each of the companies involved in this Scheme;



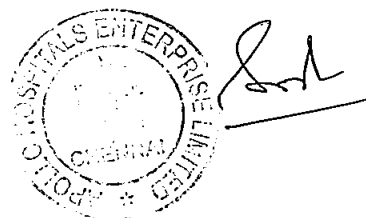
and

- (viii) the certified copy of the Sanction Order has been filed by the companies involved in Parts III, V, and VI of this Scheme, with the relevant jurisdictional Registrar in terms of Section 232(5) of the Act.

**9.2. Provisions applicable to Parts III, IV, V, VI and VII**

Upon the sanction of this Scheme, and upon Parts III, IV, V and VI of this Scheme becoming effective, each of the following shall be deemed to have occurred and become effective and operative only in the sequence and in the order mentioned hereunder:

- 9.2.1. demerger of the Identified Business Undertaking from AHEL into Resultant Company in accordance with Part III of this Scheme, including transfer of shares of Transferor Company 1 held by AHEL to Resultant Company;
- 9.2.2. the issue and allotment of Resultant Company Shares to the AHEL Eligible Shareholders, in accordance with Part III of this Scheme;
- 9.2.3. amalgamation of Transferor Company 1 into and with Resultant Company in accordance with Part V of this Scheme;
- 9.2.4. transfer of the re-categorised authorised share capital of Transferor Company 1 to Resultant Company, and consequential increase in the authorised share capital of Resultant Company, in accordance with Part IX of this Scheme;
- 9.2.5. cancellation of the equity shares of Transferor Company 1 held by Resultant Company as a result of the demerger of the Identified Business Undertaking into Resultant Company (in accordance with Part III of this Scheme), without any further act, instrument or deed, in accordance with Part V of this Scheme;
- 9.2.6. issuance and allotment of Resultant Company Shares to the Transferor Company 1 Eligible Shareholders, in accordance with Part V of this Scheme;
- 9.2.7. dissolution of Transferor Company 1 without being wound-up, without any further act or deed, in accordance with Part V of this Scheme;
- 9.2.8. amalgamation of Transferor Company 2 into and with Resultant Company in accordance with Part VI of this Scheme;
- 9.2.9. transfer of the authorised share capital of Transferor Company 2 to Resultant Company, and consequential increase in the authorised share capital of Resultant Company, in accordance with Part IX of this Scheme;
- 9.2.10. issuance and allotment of Resultant Company Shares to the Transferor Company 2 Eligible Shareholders, in accordance with Part VI of this Scheme;
- 9.2.11. cancellation of the equity shares of Transferor Company 2 held by Resultant Company as a result of the amalgamation of Transferor Company 1 with and into Resultant Company (in accordance



with Part V of this Scheme), without any further act, instrument or deed, in accordance with Part VI of this Scheme;

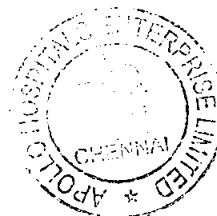
9.2.12. dissolution of Transferor Company 2 without being wound-up, without any further act or deed, in accordance with Part VI of this Scheme; and

9.2.13. change in name of Resultant Company in the manner provided in Clause 9.3.3.

**9.3. Amendments to the Memorandum of Association of Resultant Company**

**9.3.1. Increase in Authorised Share Capital of Resultant Company**

- (i) With effect from the Appointed Date and upon this Scheme becoming effective:
  - (a) the authorised preference share capital of Transferor Company 1 shall be re-categorised as authorised equity share capital of Transferor Company 1 and such re-categorised authorised share capital of Transferor Company 1 shall stand transferred to and be merged/amalgamated with the authorised share capital of Resultant Company.
  - (b) the authorised share capital of Transferor Company 2 shall stand transferred to and be merged/amalgamated with the authorised share capital of Resultant Company.
- (ii) Subsequent to the enhancement of the authorised share capital of Resultant Company as contemplated in this Clause 9.3.1, the authorised share capital of Resultant Company (as existing immediately prior to the Effective Date) shall stand suitably increased and the authorised share capital clause of the memorandum of association of Resultant Company (as existing immediately prior to the Effective Date) shall stand suitably amended and modified, in each case, without any further act, instrument or deed.
- (iii) As increase in authorised capital and amendment to the memorandum of association of Resultant Company, as contemplated in this Clause 9.3.1, are an integral part of this Scheme, the consent of the Board of Directors and members of Resultant Company to this Scheme, pursuant to Sections 230-232 of the Act and other relevant provisions of the Act and rules made thereunder, shall be deemed to be their consent for these items, including under Sections 13, 14, 15, 61, and 64 of the Act and/or any other applicable provisions of the Act, and the relevant provisions of the articles of association of Resultant Company, as applicable, and no further resolutions or actions shall be separately required to be passed/undertaken in this respect, for making such alteration in the memorandum of association of Resultant Company. Filing of the certified copy of this Scheme as sanctioned by the NCLT, in terms of Sections 230 to 232 of the Act and any other applicable provisions of the Act, together with the order of the NCLT and a copy of the memorandum of association of Resultant Company for the purposes of the applicable provisions of the Act shall be deemed to be sufficient and the Registrar shall register the same and shall certify the registration thereof in accordance with the applicable provisions of the Act. Accordingly, the memorandum of association of Resultant Company shall be altered and amended, and necessary revisions in numbering of the clauses inserted shall be carried out.
- (iv) Resultant Company shall make all necessary statutory filings with the Registrar along with payment of necessary fee and stamp duty, if any, as required for undertaking any actions



contemplated therein, in accordance with applicable laws. Pursuant to Section 232(3)(i) of the Act, the fee(s) paid by Transferor Company 1 and Transferor Company 2 on their respective authorised share capital shall be set-off against any fee payable by Resultant Company on its authorised share capital subsequent to the amalgamation and merger of Transferor Company 1 and Transferor Company 2 into and with Resultant Company.

### 9.3.2. Change in Objects of Resultant Company

- (i) As an integral part of this Scheme, with effect from the Appointed Date and upon this Scheme becoming effective, without any further act, instrument or deed on the part of Resultant Company, clause 3(a) of Resultant Company's memorandum of association (i.e. the 'Main Objects' clause) shall stand replaced with the following:

*"1. To carry on in India and/ or outside India the business of rendering technology led healthcare services to help people access and manage their health data whenever and wherever, booking and facilitating online and offline consultation, diagnostic and radiology test services, provide lead generation, referral or marketing services to retail pharmacies, and, provide unique ways of delivering therapeutic, diagnostic, health management and condition management solutions for all types of healthcare related issues through the use of online technology platforms of all kinds.*

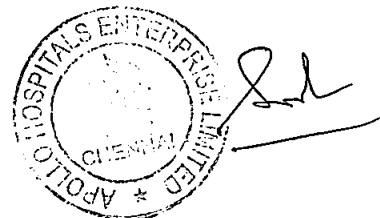
*2. To carry on in India or outside India the business of producing, processing, dealing, buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, distributing, marketing, supplying and to act as trader, wholesaler, retailers, suppliers, merchants, dealers, representatives, selling agents, C&F agent, distributor, representative, franchiser, consultant, collaborator, stockist, export house in all types and grades of healthcare, personal care, pharmaceuticals, ayurvedic, siddha, allopathic, unani and other alternative medicines, nutraceuticals, health foods, medical devices, disinfectants, surgicals, proprietary medicines, common medicinal preparations, vitamin preparations, drops, tonics, other liquid drugs and medicines, injections, tablets, capsules, lotions, ointments, cosmetic and toilet requisites, medicinal preparations containing antibiotics, creams and powders, surgical consumables, scientific apparatus and equipment for hospitals, fast moving consumer products(FMCG) and including all types of organic and inorganic chemicals and bulk drugs, and to deal in any of the above activities through a technology/ online platform/ applications or otherwise, both in internal and external markets.*

*3. To carry on the business of vialling, bottling, packing, repacking and of capsules, syrups, tablets, injectables, aerosols and ointments.*

*4. To carry on E-Commerce supply chain management, through Internet for medical, surgical and other hospital related materials such as drugs, chemicals, surgical disposables, instruments, equipment and other related items for hospitals, retail pharmacies, Government and other private organizations.*

*5. To act as corporate agents for life insurance, general insurance and health insurance as defined under Insurance Regulatory and Development Authority Act 1999.*

*6. To undertake, promote, assist or engage in all kinds of research and development work required to promote, assist or engage in setting up hospitals and facilities for*



*manufacturing medical equipment.*

*7. To carry on the business of design, construction and running of all kinds of hospitals, dispensaries, clinics, laboratories and health clubs.*

*8. To act as consultants and render technical and managerial services in the field of medical research and running of multi-speciality hospitals, dispensaries, clinics, laboratories and health clubs.*

*9. To engage in all activities which are incidental and allied or related to the insurance business."*

- (ii) As change in objects and amendment to the memorandum of association of Resultant Company, as contemplated in this Clause 9.3.2, are an integral part of this Scheme, the consent of the Board of Directors and members of Resultant Company to this Scheme shall be deemed to be their consent for these items, including under Sections 13, 14 and 15 of the Act and/or any other applicable provisions of the Act, and the relevant provisions of the articles of association of Resultant Company, as applicable, and no further resolutions or actions shall be separately required to be passed/ undertaken in this respect, for making such alteration in the memorandum of association of Resultant Company. Filing of the certified copy of this Scheme as sanctioned by the NCLT, in terms of Sections 230 to 232 of the Act and any other applicable provisions of the Act, together with the order of the NCLT and a copy of the memorandum of association of Resultant Company for the purposes of the applicable provisions of the Act shall be deemed to be sufficient and the Registrar shall register the same and shall certify the registration thereof in accordance with the applicable provisions of the Act. Accordingly, the memorandum of association of Resultant Company shall be altered and amended, and necessary revisions in numbering of the clauses inserted shall be carried out.
- (iii) Resultant Company shall make all necessary statutory filings with the Registrar, if any, as required for undertaking any actions contemplated therein, in accordance with applicable laws.

#### **9.3.3. Change in the Name of Resultant Company**

- (i) As an integral part of this Scheme, with effect from the Appointed Date and upon this Scheme becoming effective, and subject to such compliances and requisite approvals of governmental authorities as may be required under applicable laws to effect a change of name, the name of Resultant Company shall stand changed to 'Apollo Healthco Limited' or such other name as approved by the Board of Resultant Company, subject to name availability with the Ministry of Corporate Affairs.
- (ii) Consequently, upon the change in name of Resultant Company, without any further act or instrument or deed, Clause 1 of the memorandum of association and the articles of association of Resultant Company shall be altered to reflect the name as approved by the relevant governmental authorities.
- (iii) As the change in the name of Resultant Company, as contemplated in this Clause 9.3.3, is an integral part of this Scheme, the consent of the Board of Directors and members of Resultant Company to this Scheme shall be deemed to be their consent for these items,



including under Sections 13, 14 and 15 of the Act and/or any other applicable provisions of the Act and the relevant provisions of the articles of association of Resultant Company, as applicable, and no further resolutions or actions shall be separately required to be passed/undertaken in this respect for making such alteration in the memorandum of association and articles of association of Resultant Company. Resultant Company undertakes to pay fees, if any, that may be required in relation to such change of name. The approval of the shareholders of Resultant Company and the approval of the NCLT to the Scheme shall be considered as the approval required under the provisions of the Act for such change of name.

- (iv) Resultant Company undertakes to pay fees, if any, that may be required in relation to such change in name. The approval of the shareholders of Resultant Company and the approval of the NCLT to the Scheme shall be considered as the approval required under the provisions of the Act for such change of name.

#### 9.4. Amendments to the Articles of Association of Resultant Company

- 9.4.1. As an integral part of this Scheme and pursuant to this Scheme becoming effective, the articles of association of Resultant Company shall stand amended and restated in the form set out in **Schedule 4** of this Scheme.
- 9.4.2. As amendments to the articles of association of Resultant Company, as contemplated in this Clause 9.4, are an integral part of this Scheme, upon this Scheme being approved by the Board and requisite majority of the shareholders of the companies involved in this Scheme pursuant to Sections 230-232 and other relevant provisions of the Act and rules made thereunder, the SEBI Circular and the Listing Regulations, if applicable, the consent of the Board of Directors and members of Resultant Company to this Scheme shall also be deemed to be their consent for these items, including under Section 14 of the Act and/or any other applicable provisions of the Act and rules made thereunder, the relevant provisions of the Listing Regulations and the articles of association of Resultant Company, as may be applicable, for effecting the amendments to the articles of association of Resultant Company, and no further resolutions or actions, including compliance with any procedural requirements, shall be separately required to be passed/undertaken in this respect, for making such alteration in the articles of association of Resultant Company.
- 9.4.3. Resultant Company shall, if required, file all necessary documents/ intimations and statutory filings along with payment of necessary fee and stamp duty, if any, as per the provisions of Act and rules made thereunder, with the Registrar or any other applicable governmental authority, *inter alia* in respect of the amendments to the articles of association of Resultant Company, in the manner set out in this Clause 9.4 of the Scheme.

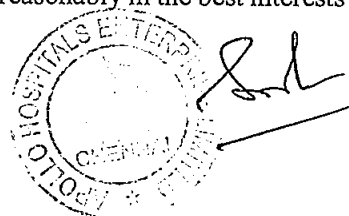
#### 9.5. Management of Resultant Company

- 9.5.1. As an integral part of this Scheme and pursuant to this Scheme becoming effective, the Board of Resultant Company shall comprise an aggregate of 12 (twelve) directors as follows:
- (a) AHL Promoter;
  - (b) 3 (three) directors nominated by the Resultant Company Promoters;
  - (c) 1 (one) director nominated by AHEL;



A handwritten signature in black ink, appearing to be "S. S.", written over a horizontal line.

- (d) 1 (one) director nominated by Rasmeli; and
- (e) 6 (six) independent directors.
- 9.5.2. As an integral part of this Scheme and pursuant to this Scheme becoming effective, AHL Promoter shall be appointed as the executive chairperson of the Board of Resultant Company subject to and on the terms and conditions as may be agreed between Resultant Company and AHL Promoter.
- 9.5.3. As re-constitution of the Board and the appointment of AHL Promoter as executive chairperson of the Board of Resultant Company on the Effective Date, in each case, as contemplated in this Clause 9.5, are integral parts of this Scheme, upon this Scheme being approved by the Board and requisite majority of the shareholders of the companies involved in this Scheme pursuant to Sections 230-232 and other relevant provisions of the Act and rules made thereunder, the SEBI Circular and the Listing Regulations, if applicable, the consent of the Board of Directors and members of the companies involved in this Scheme shall also be deemed to be their consent for the reconstitution of the Board of Resultant Company in the manner described above, and the appointment of AHL Promoter as executive chairperson of the Board of Resultant Company, including under Section 196 of the Act and/or any other applicable provisions of the Act and rules made thereunder, the relevant provisions of the Listing Regulations and the articles of association of Resultant Company, as may be applicable, for the aforesaid appointments to the board of directors of Resultant Company, and no further resolutions or actions, including compliance with any procedural requirements, shall be separately required to be passed/ undertaken in this respect, for making such alteration in the articles of association of Resultant Company.
- 9.5.4. Resultant Company shall, if required, file all necessary documents/ intimations and statutory filings along with payment of necessary fee, if any, as per the provisions of Act and rules made thereunder, with the Registrar or any other applicable governmental authority, *inter alia* in respect of the aforementioned provisions, in the manner set out in this Clause 9.5 of the Scheme.
- 9.6. **Compliance with Laws**
- 9.6.1. This Scheme (other than Part VIII) is presented and drawn up to comply with the provisions/requirements of Chapter XV of the Act, for the purpose of demerger of the Identified Business Undertaking from AHIL and transfer to Resultant Company, amalgamation of Transferor Company 1 into and with Resultant Company, and amalgamation of Transferor Company 2 into and with Resultant Company. The companies involved in this Scheme will ensure compliance, as applicable, with the General Circular No. 09/2019 dated 21 August 2019 issued by the Ministry of Corporate Affairs with regard to the 'appointed date'.
- 9.6.2. This Scheme (other than Part VIII) has been drawn up to comply with the conditions relating to "amalgamation" and "demerger" as specified under the Tax Laws, including Section 2(1B) and Section 2(19AA), Section 47 and other relevant provisions of the IT Act. If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the IT Act shall prevail. This Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of this Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of each of the companies involved in this Scheme, which power shall be exercised reasonably in the best interests



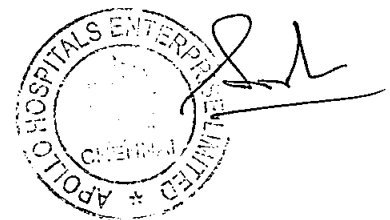
of the companies concerned and their stakeholders.

- 9.6.3. The Scheme is conditional upon this Scheme being approved by the public shareholders of AHEL through e-voting in terms of Part – I (A)(10)(a) of the SEBI Circular, and the scheme shall be acted upon only if vote cast by the public shareholders of AHEL in favour of the proposal are more than the number of votes cast by the public shareholders of AHEL against it in terms of Part – I(A)(10)(b) of the SEBI Circular.

**9.7. Consequential Matters Relating to Tax**

With effect from the Appointed Date, upon this Scheme becoming effective:

- 9.7.1. The demerger of the Identified Business Undertaking from AHEL and its transfer and vesting with and into Resultant Company as detailed under Part III of this Scheme is in compliance with the conditions relating to “demerger” as defined under Section 2(19AA), Section 47 and other relevant sections and provisions of the IT Act;
- 9.7.2. The amalgamation of Transferor Company 1 into and with Resultant Company as detailed under Part V of this Scheme, is in compliance of Section 2(1B), Section 47 and other relevant provisions of the IT Act;
- 9.7.3. The amalgamation of Transferor Company 2 into and with Resultant Company as detailed under Part VI of this Scheme, is in compliance of Section 2(1B), Section 47 and other relevant provisions of the IT Act.
- 9.7.4. All the deductions and losses otherwise admissible to Demerged Company relating to the Identified Business Undertaking, Transferor Company 1 and Transferor Company 2, including payment admissible on actual payment or on deduction of appropriate Taxes or on payment of TDS (such as Section 43B, Section 40, Section 40A *etc.* of the IT Act), shall be eligible for deduction to Resultant Company.
- 9.7.5. Resultant Company shall be entitled to: (a) claim deduction with respect to items such as provisions, expenses *etc.* disallowed in earlier years and pertaining to the Identified Business Undertaking/ Transferor Company 1/ Transferor Company 2 which may be allowable in accordance with the provisions of the IT 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 Demerged Company/ Transferor Company 1/ Transferor Company 2 prior to the Appointed Date.
- 9.7.6. All Taxes, duties, cess payable by Transferor Company 1/ Transferor Company 2, including all any provision for taxes in the books of accounts, advance tax payments, TDS or any refunds/ credit/ claims relating thereto, shall, for all purposes, be treated as advance tax payments, TDS or refunds/ credit/ claims, as the case may be, of Resultant Company.
- 9.7.7. If Transferor Company 1/ Transferor Company 2 is entitled to any benefits under the incentive schemes and policies of the IT Act or concessions under any Tax Laws or applicable laws, Resultant Company shall be entitled as an integral part of the Scheme to claim such benefit or incentives or deductions as the case may be without any specific approval or permission.
- 9.7.8. Any refund of Taxes due, including refunds consequent to the assessments made on the companies and for which no credit is taken in the accounts pertaining to Transferor Company 1/ Transferor



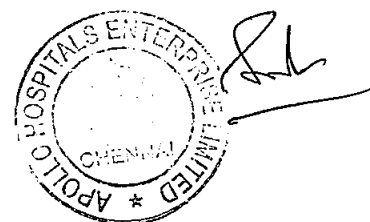


Company 2 as on the Appointed Date, shall belong to, and be received by, Resultant Company, with effect from the Appointed Date.

- 9.7.9. Each of the permissions, approvals, consents, sanctions, remissions, special reservations, service-tax/ value added tax exemptions, GST exemptions/ incentives, concessions and other authorizations: (i) solely of the Identified Business Undertaking; (ii) of Transferor Company 1; and (iii) of Transferor Company 2, shall stand transferred by the Sanction Order to Resultant Company. In this regard, the relevant concerned companies shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the Sanction Order.
- 9.7.10. Demerged Company, Transferor Company 1, Transferor Company 2 and Resultant Company are expressly permitted to prepare and/or revise their financial statements and returns along with prescribed forms, filings and annexures under any applicable tax laws including the IT Act (including for minimum alternate tax purposes and tax benefits), service tax law, central sales tax laws, excise duty laws, GST law and any applicable other Tax laws, and to claim refunds and/or credits for taxes paid (including minimum alternate tax, TDS, tax collected at source, etc.), and to claim tax benefits under the IT Act, etc., and for matters incidental thereto, if required to give effect to the provisions of this Scheme, from the Appointed Date, notwithstanding that the period for filing / revising such returns and claiming refunds / credits may have lapsed. The Sanction Order shall be deemed to be an order of the competent authority permitting Demerged Company, Transferor Company 1, Transferor Company 2 and Resultant Company to prepare and/or revise its financial statements and books of accounts and no further act shall be required to be undertaken by Resultant Company.
- 9.7.11. In accordance with the CENVAT Credit Rules, 2004 framed under Central Excise Act, 1944, state value added tax and GST as are prevalent on the Effective Date, the unutilized credits relating to excise duties, state value added tax, GST paid on inputs / capital goods / input services lying in the accounts of Demerged Company exclusively for Identified Business Undertaking/ Transferor Company 1/ Transferor Company 2 (as the case may be) shall be permitted to be transferred to the credit of Resultant Company, (including in electronic form / registration), as if all such unutilized credits were lying to the account of Resultant Company. Resultant Company shall accordingly be entitled to set off all such unutilized credits against the excise duty / service tax/ GST payable by it.
- 9.7.12. In case of any differences in Tax policies/elections between Transferor Company 1 or Transferor Company 2 and Resultant Company, the Tax policies/elections adopted by Resultant Company shall prevail to ensure that the Tax records and returns are consistent.

#### 9.8. Dividend

- 9.8.1. AHEL, Transferor Company 1, Transferor Company 2, and Resultant Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date.
- 9.8.2. The holders of the shares of AHEL, Transferor Company 1, Transferor Company 2, and Resultant Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective articles of association including the right to receive dividends.
- 9.8.3. 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 member of AHEL, Transferor



Company 1, Transferor Company 2, or Resultant Company 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 AHEL, Transferor Company 1, Transferor Company 2, and Resultant Company, respectively and subject to the approval of the shareholders of AHEL, Transferor Company 1, Transferor Company 2, and Resultant Company, respectively.

#### 9.9. Interpretation

9.9.1. If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any provisions of applicable 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 applicable law shall prevail. Subject to obtaining the Sanction Order, if necessary, this Scheme shall then stand modified 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 Order, if necessary, vest with the Boards of each of the companies involved in this Scheme, which power shall be exercised reasonably in the best interests of the each of the companies involved in this Scheme and their respective shareholders.

#### 9.10. Applications to the NCLT, SEBI etc.

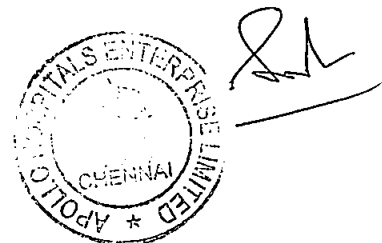
9.10.1. AHEL may, with all reasonable dispatch, file all necessary applications to the SEBI, Stock Exchanges, and Competition Commission of India for their reports/approval/no-objections, as required by applicable law. Transferor Company 1 may, with all reasonable dispatch, procure filing of necessary applications to the Insurance Regulatory & Development Authority of India for their approval, as required by applicable law.

9.10.2. The companies involved in this Scheme may, with all reasonable dispatch, file all necessary applications to the NCLT, under Chapter XV and other applicable provisions of the Act, including for seeking orders for dispensing with or convening, holding and/or conducting of the meetings of the classes of their respective shareholders and creditors, if required, and for sanctioning this Scheme with such modifications, as may be approved by the NCLT and to obtain other such approvals, as required by applicable law.

9.10.3. Upon this Scheme being approved by the requisite majority of the shareholders of each of the companies involved in this Scheme (wherever required), each of the companies involved in this Scheme shall, with all reasonable dispatch, file respective petitions before the NCLT for sanction of this Scheme under Chapter XV and other applicable provisions of the Act, and for such other order or orders, as the NCLT may deem fit for putting this Scheme into effect. Upon this Scheme becoming effective, the shareholders of each of the companies involved in this Scheme shall be deemed to have also accorded their approval under all relevant provisions of the Act and other applicable laws for giving effect to the provisions contained in this Scheme.

#### 9.11. Modifications or Amendments to this Scheme

9.11.1. Each of the companies involved in this Scheme, acting through their respective Boards, may assent to any modifications or amendments to this Scheme, which the NCLT and/or any other authorities may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this

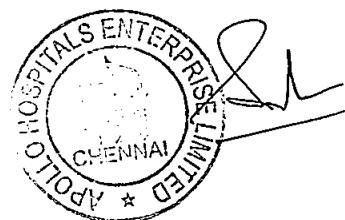


Scheme. The companies involved in this Scheme, acting through their respective Boards of Directors, be and are hereby authorised to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any orders of the NCLT or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

- 9.11.2. The companies involved in this Scheme, acting through their respective Boards, shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by the NCLT or any other authority is not on terms acceptable to them.
- 9.11.3. If the companies involved in this Scheme are desirous of making any material modification to the provisions of this Scheme after receipt of approval of SEBI to this Scheme, such modifications shall be subject to approval of SEBI and the NCLT or any further modifications as may be required by SEBI and the NCLT.
- 9.11.4. Except as otherwise expressly provided in this Scheme, each of AHEL, Transferor Company 1, Transferor Company 2, and Resultant Company shall pay their respective costs, expenses, charges, fees, Taxes, duties, levies and other incidental expenses arising out of or incurred in connection with the filing, approval and/or implementation of this Scheme. Notwithstanding anything contained in this Clause, all costs, expenses, charges, fees, Taxes, duties, levies and other incidental expenses arising out of or incurred in connection with the filing, approval and/or implementation of Part V and VI of this Scheme shall be borne solely by Resultant Company in the manner provided in this Scheme.
- 9.11.5. In the event of any inconsistency between any of the terms and conditions of any earlier arrangement between the companies involved in this Scheme and their respective shareholders, and the terms and conditions of this Scheme, the latter shall prevail.
- 9.11.6. If any part of this Scheme is invalid, ruled illegal or rejected or is unreasonably delayed or not sanctioned by any court of competent jurisdiction, or unenforceable under present or future laws, or not sanctioned or is unreasonably delayed, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the companies involved in this Scheme, acting through their respective Boards, shall attempt to bring about a modification in this Scheme as will best preserve for the parties, the benefits and obligations of this Scheme, including such part, which is invalid, ruled illegal or rejected, or being unreasonably delayed or not sanctioned or is unreasonably delayed by any court of competent jurisdiction, or not sanctioned unenforceable under present or future laws.

**9.12. Saving of Concluded Transactions**

- 9.12.1. The transfer and vesting of the assets, Liabilities of the Identified Business Undertaking, Transferor Company 1, and Transferor Company 2 (as the case may be), in accordance with the provisions of this Scheme and the continuance of the legal proceedings by or against Resultant Company shall not affect any transaction or proceedings already completed by AHEL, Transferor Company 1, and Transferor Company 2, respectively, on or before the Effective Date and Resultant Company accepts all acts, deeds and things done and executed by and/or on behalf of AHEL, Transferor Company 1, and Transferor Company 2 (as the case may be), as acts, deeds and things done and executed by and on behalf of Resultant Company.



### 9.13. Residual

9.13.1. Upon the relevant Parts of this Scheme becoming effective in accordance with their terms, the past track record of AHEL (to the extent exclusively relating to the Identified Business Undertaking), Transferor Company 2 and Transferor Company 1, as the case may be, including the profitability, experience, and credentials, shall be deemed to be the track record of Resultant Company for all commercial and regulatory purposes including for the purposes of eligibility, standing, evaluation and participation of Resultant Company in all existing and future bids, tenders and contracts of all authorities, agencies and clients.

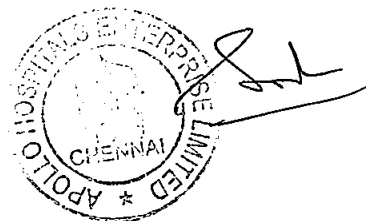
9.13.2. Upon this Scheme becoming effective, Resultant Company shall be entitled to:

- (v) operate all bank accounts, demat account, cash and deposits: (a) exclusively related to the Identified Business Undertaking in the name of AHEL, (b) of Transferor Company 1, and (c) of Transferor Company 2;
- (vi) realise all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes: (a) exclusively in respect of the Identified Business Undertaking, in the name of AHEL, (b) in respect of Transferor Company 1, and (c) in respect of Transferor Company 2, to the extent necessary;
- (vii) substitute the name of AHEL by the name of Resultant Company, in the records of the banks and depositories, in respect of bank accounts and demat accounts of AHEL that exclusively pertain to the Identified Business Undertaking upon effectiveness of the Scheme; and
- (viii) substitute the name of Transferor Company 1 and Transferor Company 2, by the name of Resultant Company, in the records of their respective banks and depositories, in respect of bank accounts and demat accounts of Transferor Company 1 and Transferor Company 2.

It is clarified that until such time that the name of the bank accounts of AHEL (exclusively in relation to the Identified Business Undertaking), Transferor Company 1 and Transferor Company 2 have been formally replaced with that of Resultant Company, Resultant Company shall be entitled to operate the bank accounts of AHEL (exclusively in relation to the Identified Business Undertaking), Transferor Company 1 and of Transferor Company 2, as applicable, in so far as may be necessary. All cheques and other negotiable instruments, electronic fund transfers (such as NEFT, RTGS, *etc.*) and payment orders received or presented for encashment which are in the name of AHEL (exclusively in relation to the Identified Business Undertaking), Transferor Company 1, or Transferor Company 2, after the Effective Date shall be accepted by the bankers of Resultant Company and credited to the account of Resultant Company, if presented by Resultant Company.

9.13.3. Resultant Company shall be entitled to occupy and use all premises, whether owned, leased or licensed: (i) exclusively used for the purposes of the Identified Business Undertaking (in the name of AHEL) (provided that the premises underlying the lease agreement set out in Part A of **Schedule 1** shall be used by Resultant Company on terms mutually agreed between AHEL and Resultant Company), (ii) of Transferor Company 1, and (iii) of Transferor Company 2, upon this Scheme becoming effective, in each case, to the extent necessary.

9.13.4. On and from the Effective Date, Resultant Company shall be entitled to rely on, use and operate on

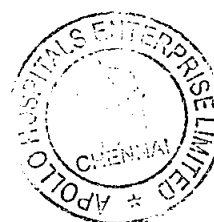


the basis of all licenses, consents and approvals, relating to Transferor Company 1 and Transferor Company 2, to the extent necessary.

- 9.13.5. Resultant Company shall be entitled to rely on, use and operate on the basis of all licenses, consents and approvals in the name of AHEL if exclusively pertaining to the Identified Business Undertaking, to the extent necessary.

**9.14. Validity of Existing Resolutions and Corporate Approvals**

- 9.14.1. Upon this Scheme becoming effective from the Effective Date, all the resolutions and benefits of corporate approvals and resolutions (whether being in the nature of compliances or otherwise) of Transferor Company 1, and of Transferor Company 2 (including in relation to borrowings, appointment and payment of remuneration to the key managerial personnel, related party transactions *etc.*, as applicable) which are valid and subsisting as on the Appointed Date, shall continue to be valid and subsisting and be considered as the resolutions of Resultant Company. If any such resolutions have an upper monetary or any other limits imposed under the provisions of the Act, then the said limits shall apply *mutatis mutandis* to such resolutions and shall constitute the aggregate of the said limits in Resultant Company. Such limits shall be incremental to the existing limits of Resultant Company. The corporate approvals and compliances shall be deemed to have been taken/complied with by Resultant Company by virtue of approval of this Scheme.







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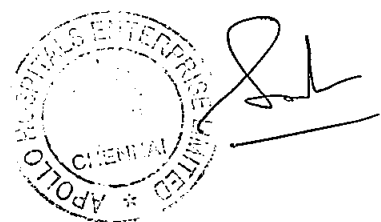
## SCHEDULE 1

### Part A - Lease Agreements of AHEL

S. No.	Date of Agreement	Name of Lessor	Term of Lease	Particulars	Registration Status
1.	14 February 2024	Dodla Deepa Reddy	3 Years	7 <sup>th</sup> Floor & 9 <sup>th</sup> floor, Krishe Sapphire Building, MSR Block, Hitech City, Serlingampally Mandal, Rangareddy, Telangana, 500081	Unregistered

### Part B - Intellectual Property of AHEL

S. No.	Particulars of Intellectual Property Owned by AHEL	Application/Registration No.	Class	Registration Status
1.		1060287	16	Registered
2.		1060286	05	Registered
3.		1576792	36	Registered
4.		1576793	42	Registered



## SCHEDULE 2

### Licenses and Approvals of Identified Business Undertaking

S. No.	Registration Number	Registration Name	Relevant Legislation	State
1.	37AAACA5443N4ZE	GSTN	Goods & Service Tax Act, 2017	Andhra Pradesh
2.	20AAACA5443N2ZV	GSTN	Goods & Service Tax Act, 2017	Jharkhand
3.	36AAACA5443N4ZG	GSTN	Goods & Service Tax Act, 2017	Telangana
4.	09AAACA5443N2ZF	GSTN	Goods & Service Tax Act, 2017	Uttar Pradesh
5.	17AAACA5443N1ZJ	GSTN	Goods & Service Tax Act, 2017	Meghalaya
6.	HYDA23771G	TAN	Income Tax Act, 1961	Telangana
7.	APHYD1552624000	Provident Fund Code	Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Telangana
8.	62520303450011400	Employer Registration	Employees' State Insurance Act, 1948	Telangana
9.	36158208118	Professional Tax Registration	Telangana Tax on Professions, Trades, Callings and Employments Act, 1987	Telangana
10.	SEA/HYD/JCL/HB/0104 719/2018	Labour License	Contract Labour (Regulation and Abolition) Act, 1970	Telangana



### SCHEDULE 3

#### Details of Proceedings in relation to Identified Business Undertaking

Date of Initiation	Particulars of counter party	Summary of dispute/proceedings	Forum in which matter is pending
September 17, 2022	Kria Healthcare Private Limited	Operational debt to be paid by Identified Business Undertaking	Arbitration



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**SCHEDULE 4**

**Amended and Restated Articles of Association of Resultant Company**

Following articles to be altered/ inserted in the articles of association of Resultant Company

*{Attached separately}*



**COMPANIES ACT, 2013**  
**COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**APOLLO HEALTHTECH LIMITED**

**I. APPLICABILITY OF TABLE F\***

The regulations contained in Table ‘F’ of Schedule I of the Companies Act, 2013, as amended, shall apply to Apollo Healthtech Limited (“**Company**”) only so far as they are not inconsistent with any of the provisions contained in these articles of association (“**Articles**”) or modification thereof or are not expressly or by implication excluded from these Articles.

The regulations for the management of the Company and for the observance of the Members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by Special Resolution as prescribed or permitted by the Companies Act, 2013, as amended, be such as are contained in these Articles.

**II. DEFINITIONS AND INTERPRETATION**

1. In these Articles, unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof in force at the date on which the Articles become binding on the Company. In these Articles:

“**Act**” shall mean Companies Act, 2013 and any amendments, re-enactments or other statutory modifications thereof for the time being in force and rules made thereunder, as amended.

“**AHEL**” shall mean Apollo Hospitals Enterprise Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at 19 Bishop Gardens R A Puram, Chennai, Tamil Nadu, India, 600028.

“**AHL Promoter**” shall mean Ms. Shobana Kamineni, daughter of Dr. Prathap C. Reddy, and a citizen of India, residing at 10-3-316/A, Masab Tank, Hyderabad, 500028, Telangana, India and having permanent account number AAIPK7589G;

“**Annual General Meeting**” shall mean the annual General Meeting held in accordance with Section 96 of the Act and any adjourned meeting thereof.

“**Articles**” shall mean the articles of association of the Company as amended from time to time in accordance with the Act.

“**Auditors**” shall mean and include those persons appointed as such for the time being by the Company.

**“Authorised Capital”** shall have the meaning assigned to said term under Section 2(8) of the Act.

**“Beneficial Owner”** shall have the meaning assigned to said term under clause (a) of Section 2(1) of the Depositories Act, 1996, as amended.

**“Board”** or **“Board of Directors”** means the board of directors of the Company as constituted from time to time in accordance with the applicable Law and the terms of these Articles.

**“Board Meeting”** means a meeting of the Directors duly called, constituted and held (including by way of circulation) in accordance with these Articles and the Act.

**“Chairman”** or **“Chairperson”** means the chairperson of the Board of Directors for the time being of the Company or the person elected or appointed to preside over the Board and/ or General Meetings of the Company.

**“Company”** means Apollo Healthtech Limited, a company incorporated under the Companies Act, 2013.

**“Debenture”** includes debenture stock, bonds or any other instrument evidencing a debt, whether constituting a charge on the assets of the Company, or not.

**“Depositories Act”** means the Depositories Act, 1996, as amended or any statutory modification or re-enactment thereof for the time being in force.

**“Depository”** shall have the meaning assigned to the said term under clause (e) of Section 2(1) of the Depositories Act.

**“Director”** shall mean a director of the Board appointed from time to time in accordance with the terms of these Articles and the provisions of the Act.

**“FEMA Framework”** shall mean the Foreign Exchange Management Act, 1999, as may be amended or modified from time to time, read with circulars, notifications, master directions, regulations and other laws issued by the Reserve Bank of India on foreign investment in India from time to time including Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 (as updated, amended or replaced from time to time), and the consolidated Foreign Direct Investment Policy and press notes issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (as updated, amended or replaced from time to time).

**“Foreign Shareholders”** shall have the meaning assigned to the said term in Article 6.

**“General Meeting”** shall mean any duly convened meeting of the Shareholders of the Company and includes an extraordinary General Meeting.

**“Independent Director”** shall have the meaning assigned to the said term under the Act and the Listing Regulations.

**“INR”** shall mean the Indian Rupee, the currency and legal tender of the Republic of India.

**“Law”** includes all Indian statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, determinations,

directives, writs, decrees, injunctions, judgments, rulings, awards, clarifications and other delegated legislations and orders of any governmental authority (including but not limited to the Reserve Bank of India Act, 1934, as amended and the SEBI Act, 1992 and any applicable rules, regulations and directives of the RBI and SEBI), statutory authority, tribunal, board, court, stock exchange or other judicial or quasi-judicial adjudicating authority and, if applicable, foreign law, international treaties, protocols and regulations.

**“Listing Regulations”** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

**“Managing Director”** shall mean a Director who, by virtue of these Articles or an agreement with the Company or a resolution passed in the General Meeting, or by the Board of Directors, is entrusted with substantial powers of management of the affairs of the Company and includes a Director occupying the position of managing director, by whatever name called.

**“Member”** shall have the meaning assigned to said term under Section 2(55) of the Act.

**“Memorandum”** or **“Memorandum of Association”** means the memorandum of association of the Company, as may be altered from time to time.

**“Ordinary Resolution”** shall have the meaning assigned to said term under Section 114 of the Act.

**“Person”** shall mean any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, partnership, unlimited or limited liability company, joint venture, governmental authority, Hindu undivided family, trust, union, organization or any other entity that may be treated as a person under applicable Law.

**“Promoters”** mean the ‘promoters’ of the Company, as such term is defined under Regulation 2(oo) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. For avoidance of doubt, Promoters shall not include AHFL.

**“Proxy”** shall mean an instrument whereby any person is authorized to vote for a Member at a General Meeting on a poll and shall include an attorney duly constituted under a power of attorney.

**“Rasmeli”** means Rasmeli Limited, a company incorporated under the laws of Republic of Cyprus whose registered office is at 23 Kennedy Avenue, Globe House, Ground & 1st Floors, 1075, Nicosia, Cyprus;

**“RBI”** means the Reserve Bank of India.

**“Registrar”** or **“Registrar of Companies”** means Registrar of Companies, Chennai.

**“Seal”** shall mean the common seal of the Company.

**“SEBI”** shall mean Securities and Exchange Board of India.

**“Secretary”** or **“Company Secretary”** shall have the meaning assigned to said term under clause (c) of Section 2(1) of the Company Secretaries Act, 1980, as amended, who is appointed by the Company to perform the functions of a company secretary under the Act.

**“Securities”** shall have the meaning assigned to said term under clause (h) of Section 2 of the

Securities Contracts (Regulation) Act, 1956.

**“Share Capital”** shall mean the Authorised Capital or the Subscribed Capital or paid-up capital as the case may be.

**“Shareholder”** shall mean a Member of the Company.

**“Shares”** shall mean a share in the Share Capital of the Company and includes stock.

**“Special Resolution”** shall have the meaning assigned to said term under Section 114 of the Act.

**“Subscribed Capital”** shall have the meaning assigned to said term under Section 2(86) of the Act.

## 2. **Interpretation:**

- (i) In addition to the above terms, certain terms may be defined elsewhere in these Articles and wherever such terms are used in these Articles, they shall have the meaning so assigned to them.
- (ii) Words of any gender includes other gender.
- (iii) Words using the singular or plural also include the plural or singular respectively.
- (iv) The terms “hereof,” “herein,” “hereby” and derivative or similar words refer to these entire Articles and not to any particular clause, article or section of these Articles.
- (v) Any reference to a number of days, shall imply a reference to calendar days unless otherwise specified.
- (vi) Headings and captions are used for convenience only and shall not affect the interpretation of these Articles.
- (vii) Any reference to any statute or statutory provision shall include all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated); and such statute or provision as may be amended, modified, re-enacted or consolidated.
- (viii) The words “other” and “otherwise” shall not be construed ejusdem generis with any foregoing words where a wider construction is possible.
- (ix) Any reference to any party being obliged to “procure” or “cause” any action shall be construed as a reference to that party being obliged to exercise all rights and powers available to it so as to procure or cause the relevant action.
- (x) The word “including” herein shall always mean “including, without limitation”.
- (xi) Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the rules, as the case may be.

## **III. PUBLIC COMPANY**

3. The Company is a public company as defined under Section 2(71) of the Act and accordingly:
- (i) is not a private company;
  - (ii) has a minimum paid-up Share Capital as per the Act; and
  - (iii) has a minimum of seven Shareholders. Also, where two or more Persons hold one or more Shares in the Company jointly, they shall, for purposes of this provision, be treated as a single Shareholder.

#### **IV. SHARE CAPITAL AND VARIATION OF RIGHTS**

4. The Authorised Capital of the Company shall be as set out in clause V of the Memorandum of Association with the power to increase or reduce such capital from time to time in accordance with the Articles and the legislative provisions for the time being in force in this regard and with the power also to divide the Shares in the Share Capital, and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions, in accordance with the provisions of the Act and these Articles.
5. The Share Capital of the Company may comprise of the following classes:
- (i) Equity Share Capital: (a) with voting rights; or (b) with differential rights as to dividend, voting or otherwise in accordance with prescribed rules, subject to provisions of applicable Law.
  - (ii) Preference Share Capital; and/or
  - (iii) Any other kind of capital, whether equity preference or otherwise, and whether with differential rights as to dividend, voting or otherwise, in accordance with the provisions of the applicable Laws.
6. Notwithstanding anything to the contrary contained in these Articles or elsewhere, the aggregate shareholding and voting rights of all shareholders in the Company (on an as-is-converted basis), who are: (A) classified as 'person resident outside India' (as defined under the FEMA Framework), or (B) are owned and/or controlled by person(s) resident outside India (as such terms are understood under the FEMA Framework) (hereinafter collectively referred to as "**Foreign Shareholders**") shall, at all times, be less than 50% (fifty per cent) of the total shareholding and voting rights of the Company (or such other limit as required or permitted under FEMA), and the Company shall take such actions on its behalf to ensure that the Foreign Shareholders do not at any time exercise any "control" (as defined under the FEMA Framework) over the Company or its subsidiaries.

#### **V. SHARES AT DISPOSAL OF BOARD**

7. Subject to the provisions of the Act and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Board, who may, subject to applicable Law and subject to such other approvals, permissions or sanctions as may be necessary, issue, allot or otherwise dispose of any Shares of the Company including by way of preferential allotment or private placement or any of them to such Persons, in such proportion, on such terms and conditions, either at a premium or at par or at a discount (subject to compliance with Sections 52 and 53 and other provisions of the Act, and in accordance with pricing method prescribed to listed entities under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from

time to time, if applicable) and the Listing Regulations, at such time as it may from time to time deem fit, and with the sanction of the Company in a General Meeting, to give to any Person or Persons the option or right to call for any Shares, either at par or premium during such time and for such consideration as the Board deems fit, and may issue and allot the Shares in the capital of the Company on payment of full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business. Any Shares which may so be allotted may be issued as fully paid-up Shares and if so issued, shall be deemed to be fully paid-up Shares. Provided that, the option or right to call for Shares shall not be given to any Person or Persons without the sanction of the Company in a General Meeting. As regards all allotments, from time to time made, the Board shall duly comply with all provisions of the Act including Sections 23 and 39 of the Act, as the case may be and the regulations specified by SEBI.

8. Subject to Section 55 of the Act, any preference Shares may, with the sanction of a Special Resolution be issued on the terms that they are, or at the option of the Company are, liable to be redeemed on such terms and in such manner as the Company before the issue of the Shares may, by Special Resolution determine. The period of redemption of such preference Shares shall not exceed the maximum period for redemption provided under applicable law.
9. Except in so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the issue of further Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise as applicable to the original capital.
10. The Company may issue sweat equity Shares subject to fulfillment of conditions as mentioned in the Act and applicable Law and also issue Shares to the employees of the Company or its subsidiary and associate companies under the employees stock option scheme as may be framed and followed in accordance with the guidelines that are notified, issued or may be issued by the Securities and Exchange Board of India.
11. Where at any time, it is proposed to increase its Subscribed Capital by the issuance/ allotment of further Shares either out of the unissued Share Capital or increased Share Capital then the Board may issue, offer and allot Shares on rights basis, preferential basis or in such other manner as may be permitted by the Act or any other applicable law in accordance with the provisions laid down under thereunder.
12. Nothing in Article 11 above shall apply to the increase of the Subscribed Capital of the Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into Shares in the Company; provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution adopted by the Company in a General Meeting.
13. If at any time the Share Capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, subject to section 48 of the Act, and whether or not the Company is being wound up, be varied accordingly, with the consent in writing of the holders of three-fourths of the issued Shares of that class, or with the sanction of a Special Resolution passed at a separate meeting of the holders of the Shares of that class. To every such separate General Meeting of the holders of the Shares of that class, the provisions of these Articles relating to General Meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two Persons holding at least one-third of the issued Shares

of the class in question.

14. The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking *pari passu* therewith.
15. Subject to the provisions of the Act and applicable Law, the Company may issue bonus Shares to its Members out of (i) its free reserves; (ii) the securities premium account; or (iii) the capital redemption reserve account, in any manner as the Board may deem fit.

## **VI. ISSUE OF DEBENTURES**

16. Subject to the applicable provisions of the Act and other applicable Law, any Debentures or other Securities may be issued at a discount, premium or otherwise, and with any special privilege as to redemption, surrender, drawings, allotment of Shares of the Company, or otherwise, provided that Debentures with the right to allotment or conversion into Shares shall not be issued except with the sanction of the Company in General Meeting by a Special Resolution and subject to the provisions of the Act. The Company shall have power to issue non-convertible Debentures subject to the provisions of the Act.
17. Any trust deed for the securing of any Debentures and or any mortgage deed and or other bond for securing payment of moneys borrowed by or due by the Company and or any contract or any agreement made by the Company, with any Person, firm, body corporate, government or authority who may render or agree, to render any financial assistance to the Company by way of loans, advanced or by guaranteeing of any loan borrowed or other obligations of the Company or by subscription to the Share Capital of the Company or provide assistance in any other manner, may provide for the appointment, from time-to-time by such mortgage lender, trustee of or holders of Debentures or contracting party as aforesaid, of one or more persons to be a Director or Directors of the Company.
18. The Director or Directors so appointed by or under a mortgage deed or other bond or contract as aforesaid shall be called a "Mortgage Director" or "Mortgage Directors" and the Director if appointed as aforesaid under provisions of a Debenture trust deed shall be called "Debenture Director". The words Mortgage Director or Debenture Director shall mean the Mortgage Director or Debenture Director for the time being in office. The Mortgage Director or Debenture Directors shall not be required to hold any qualification Shares and shall not be liable to retire by rotation or to be removed from office by the Company. Such mortgage deed or bond or trust deed or contract may contain such auxiliary provisions as may be arranged between the Company and mortgage lender, the trustee or contracting party as the case may be and all such provisions shall have effect notwithstanding any other provisions herein contained but subject to the provisions of the Act.
19. The Directors appointed as Mortgage Director or Debentures Director under the Article shall be deemed to be ex-officio Directors.
20. The total number of ex-officio Directors, if any, so appointed under this Article together with the other ex-officio Directors, if any appointed under any other provisions of these presents shall not at any time exceed one third of the whole number of Directors for the time being.
21. Any uncalled capital of the Company may be included in or charged by any mortgage or other Security.



22. Where any uncalled capital of the Company is charged, all Persons, taking any subsequent charge thereon shall take the same subject to such prior charge, and shall not be entitled, by notice to the Shareholders or otherwise, to obtain priority over such prior charge.
23. Holders of Debentures shall have the same right to receive and inspect the balance sheet of the Company and the reports of the Auditors and other reports as are possessed by the Members of the Company.

## **VII. ISSUE OF SHARE WARRANTS**

24. The Company may issue warrants subject to, and in accordance with, the provisions of the applicable Law.

## **VIII. SHARES AND SHARE CERTIFICATES**

25. The Company shall be entitled to treat the Person whose name appears on the register of Members as the holder of any Share or whose name appears as the Beneficial Owner of Shares in the records of the Depository, as the absolute owner thereof. The register and index of Beneficial Owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of Members for the purposes of the Act. The Company shall cause to be kept a register and index of Members in accordance with Section 88 of the Act and the Depositories Act, 1996. The Company shall be entitled to maintain in any country outside India a “foreign register” of Members or Debenture holders resident in that country. Subject to Section 10 of the Depositories Act, 1996 every Person holding equity Share Capital of the Company and whose name is entered as Beneficial Owner in the records of the Depository shall be deemed to be a Member of the Company.
26. Unless the Shares have been issued in dematerialized form, every Person whose name is entered as a Member in the register of Members shall be entitled to receive within two months after incorporation, in case of subscribers to the Memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided –
  - (i) one certificate for all his Shares without payment of any charges; or
  - (ii) several certificates, each for one or more of his Shares, upon payment of 20 (twenty) rupees for each certificate after the first.
27. Every share certificate shall specify the number and distinctive numbers of Shares to which it relates and amount paid-up thereon and shall be signed by two Directors or by a Director and the Company Secretary. Provided that in case the Company has a Seal it shall be affixed in the presence of the persons required to sign the certificate. Provided that in respect of a Share or Shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate for a Share to one of several joint holders shall be sufficient delivery to all such holders.
28. The Company may sub-divide or consolidate the share certificates.
29. The Board may subject to the provisions of the Act, accept from any Member on such terms and conditions as they think fit, a surrender of his Shares or stock or any part thereof.
30. If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer or in case of sub-division or consolidation of Shares, then upon

production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued on payment of INR 20 for each certificate. Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulations and requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, as amended or any other act or rules applicable in this behalf.

31. Except as required by Law, no Person shall be recognized by the Company as holding any Share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any Share, or any interest in any fractional part of a Share, or (except only as by these Articles or by Law otherwise provided) any other rights in respect of any Share except an absolute right to the entirety thereof in the registered holder.
32. The provisions of Articles 26, 27, 28 and 30 shall *mutatis mutandis* apply to issue of certificates for any other Securities, including Debentures, of the Company.
33. Subject to the provisions of Section 89 of the Act, a Person whose name is entered in the register of Members of the Company as the holder of the Shares but who does not hold the beneficial interest in such Shares shall file with the Company, a declaration to that effect in the form prescribed under the Act and the Company shall make necessary filings with the Registrar as may be required, within a prescribed period as set out in the Act and the rules framed thereunder.

## **IX. DEMATERIALIZATION OF SECURITIES**

34. Notwithstanding anything to the contrary contained in the Act or these Articles, all Securities shall be dematerialized and shall be in a fungible form:
  - (i) a Depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of Securities on behalf of the Beneficial Owner.
  - (ii) Save as otherwise provided in (i) above, the Depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of Securities held by it.
35. Every Person holding Securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be the owner of such Securities and shall also be deemed to be a Shareholder of the Company. The Beneficial Owner of the Securities shall be entitled to all the liabilities in respect of his Securities which are held by a Depository.
36. Notwithstanding anything in the Act or these Articles to the contrary, where Securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of disks, drives or any other mode as prescribed by Law from time to time.
37. Every Person subscribing to Securities offered by the Company shall have the option to receive the Security certificates or hold Securities with a Depository. Where a Person opts to hold a Security with a Depository, the Company shall intimate such Depository the details of allotment of the

Security, and on receipt of such information the Depository shall enter in its record the name of the allottee as the Beneficial Owner of that Security.

38. In the case of transfer of Securities where the Company has not issued any certificates and where such Securities are being held in an electronic and fungible form, the provisions of the Depositories Act shall apply.

## **X. COMMISSION AND BROKERAGE**

39. The Company may exercise the powers of paying commissions conferred by Section 40(6) of the Act (as amended from time to time), provided that the rate per cent or amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
40. The rate or amount of the commission shall not exceed the rate or amount prescribed under Section 40(6) of the Act.
41. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in the one way and partly in the other.
42. The Company may also, on any issue of Securities, pay such brokerage as may be lawful.

## **XI. LIEN**

43. The Company shall have a first and paramount lien on (i) every Share (not being a fully paid Share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that Share; and (ii) on every Share (not being a fully paid Share), standing registered in the name of a single person, for all monies presently payable by him or his estate to the company. Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause. Such lien shall extend to all dividends payable and bonuses declared from time to time in respect of such Shares.
44. Subject to the provisions of the Act and the Listing Regulations, the Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has a lien. *Provided that* no sale shall be made -
- (i) unless a sum in respect of which the lien exists is presently payable; or
  - (ii) until the expiration of 14 (fourteen) days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.
45. A Member shall not exercise any voting rights in respect of the Shares in regard to which the Company has exercised the right of lien.
46. That:
- (i) To give effect to any such sale, the Board may authorise some Person to transfer the Shares sold to the purchaser thereof.

- (ii) The purchaser shall be registered as the holder of the Shares comprised in any such transfer.
  - (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
47. That:
- (i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
  - (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the Person entitled to the Shares at the date of the sale.
48. In exercising its lien, the Company shall be entitled to treat the registered holder of any Share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such Share on the part of any other Person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.
49. The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other Securities of the Company.

## XII. CALLS ON SHARES

50. Subject to the provisions of the Act, the Board may, from time to time, make calls upon the Members in respect of any money unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the Share or be payable at less than one month from the date fixed for the payment of the last preceding call.
51. Each Member shall, subject to receiving at least 14 (fourteen) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his Shares.
52. A call may be revoked or postponed at the discretion of the Board.
53. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
54. The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
55. If a sum called in respect of a Share is not paid before or on the day appointed for payment thereof, the Person from whom the sum is due shall pay interest thereof from the day appointed for payment thereon to the time of actual payment at 10% (ten percent) per annum or at such lower rate, if any, as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part.
56. Any sum which, by the terms of the issue of a Share, becomes payable on allotment or at any fixed

date, whether on account of the nominal value of the Share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue, such sum becomes payable. In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

57. The Board may, if it thinks fit, subject to the provisions of the Section 50 of the Act, receive from any Member willing to advance the same, whole or any part of the monies due upon the Shares held by him beyond the sums actually called for, and upon all or any of the monies so paid in advance, the Company may (until the same would, but for such advance, become presently payable) pay interest at not exceeding, unless the Company in General Meeting shall otherwise direct, 12% (twelve percent) per annum, as may be agreed upon between the Board and the Member paying the sum in advance.
58. The Member shall not be entitled to any voting rights in respect of the monies so paid by him until the same would, but for such payment, become presently payable.
59. All calls shall be made on uniform basis on all Shares falling under the same class.
60. Neither a judgment nor a decree in favour of the Company for calls or other monies due in respect of any Shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any Shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such Shares as herein provided.
61. The provisions of these Articles shall *mutatis mutandis* apply to any calls on other Securities of the Company.

### **XIII. TRANSFER OF SHARES**

62. **Transferability of Shares**
  - (i) The instrument of transfer of any Share in the Company shall be duly executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the register of Members in respect thereof.
  - (ii) such of the regulations of the Company as are applicable to paid-up Shares shall apply to stock, the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.
63. Only fully paid Shares or Debentures shall be transferred to a minor acting through his/ her legal or natural guardian. Under no circumstances, shall Shares be transferred to any minor, insolvent or a person of unsound mind.
64. The instrument of transfer shall, after registration, be retained by the Company and shall remain in its custody. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as they may determine.
65. The Board may, subject to the provisions of the Act, these Articles, the Securities (Contracts) Regulation Act, 1956, as amended, any listing agreement entered into with any recognized stock

exchange and other applicable provisions of the Act or any other law for the time being in force, decline to register:

- (i) the transfer of a Share, not being a fully paid Share, to a Person of whom they do not approve; or
- (ii) any transfer of Shares on which the Company has a lien.

Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares or other Securities.

66. The Board may decline to recognize any instrument of transfer unless—
- (i) the instrument of transfer is in the form as prescribed in rules made under Section 56(1) of the Act;
  - (ii) the instrument of transfer is accompanied by the certificate of the Shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (iii) the instrument of transfer is in respect of only one class of Shares.
67. No fee shall be charged for registration of transfer or transmission in respect to the Shares and Debentures.
68. On giving not less than 7 (seven) days previous notice in accordance with section 91 of the Act and the rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine, provided that such registration shall not be suspended for more than 30 (thirty) days at any one time or for more than 45 (forty-five) days in the aggregate in any year.
69. The Company may close the transfer books, register of Members or the register of Debenture holders or the register of other Security holders for any period or periods not exceeding in the aggregate 45 (forty-five) days in each year, but not exceeding 30 (thirty) days at any one time, subject to giving of previous notice of at least 7 (seven) days or such lesser period as may be specified by SEBI. The minimum time gap between two book closure and / or record dates would be at least 30 days.
70. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer or transmission of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the register of Members) to the prejudice of Persons having or claiming any equitable right, title or interest to or in the same Shares notwithstanding that the Company may have had notice of such equitable right or title or interest prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in the books of the Company; but the Company shall nevertheless be at liberty to have regard and to attend to any such notice and give effect thereto, if the Board shall think fit.

71. The provisions of these Articles relating to transfer of Shares shall *mutatis mutandis* apply to any other Securities of the Company.

#### **XIV. TRANSMISSION OF SHARES**

72. On the death of a Member, the survivor or survivors where the Member was a joint holder of the Shares, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only Person(s) recognised by the Company as having any title to his interest in the Shares. Nothing in this Article shall release the estate of the deceased joint holder from any liability in respect of any Share which had been jointly held by him with other Persons.
73. Any Person becoming entitled to a Share in consequence of the death or insolvency of a Member may, upon such evidence being produced as the Board may from time to time properly be required, and subject as hereinafter provided, elect, either:
- (i) to be registered as himself as the holder of the Share; or
  - (ii) to make such transfer of the Share as the deceased or insolvent Member could have made.
74. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member had transferred the Share before his death or insolvency.
75. If the Person so becoming entitled shall be elected to be registered as the holder of the Shares, such Person shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
76. If the Person aforesaid shall elect to transfer the Share, he shall testify his election by executing an instrument of transfer in accordance with the provisions of these Articles relating to transfer of Shares.
77. All the limitations, restrictions and provisions contained in these Articles relating to the right to transfer and the registration of transfers of Shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.
78. A Person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to the General Meetings of the Company, provided that the Board may, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Share, until the requirements of the notice have been complied with.
79. The provisions of these Articles relating to transmission by operation of Law shall *mutatis mutandis* apply to any other Securities of the Company.

#### **XV. FORFEITURE OF SHARES**

80. If a Member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
81. The notice aforesaid shall:
- (i) name a further day (not being earlier than the expiry of 14 (fourteen) days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - (ii) state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made will be liable to be forfeited.
82. If the requirements of any such notice as aforesaid is not complied with, any Share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
83. A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
84. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
85. A Person whose Shares have been forfeited shall cease to be a Member in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by the Person to the Company in respect of the Shares.
86. The liability of such Person shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares.
87. A duly verified declaration in writing that the declarant is a Director, the manager or the Secretary, of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Person claiming to be entitled to the Share.
88. The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of the Share in favour of the Person to whom the Share is sold or otherwise disposed of.
89. The transferee shall there upon be registered as the holder of the Share.
90. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity to invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.
91. The provision of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, become payable at a fixed time, whether on account of the nominal value of the Share or by way of premium, as the same had been payable by virtue of a call duly made and notified.



## **XVI. ALTERATION OF CAPITAL**

92. Subject to these Articles and the provisions of the Act and applicable Law, the Company may, from time to time, by Ordinary Resolution, increase the Share Capital by such sum, to be divided into Shares of such amount, as may be specified in the resolution.
93. Subject to the provisions of the Act, the Company may from time to time by Ordinary Resolution, undertake any of the following:
- (i) consolidate and divide all or any of its Share Capital into Shares of larger amount than its existing Shares;
  - (ii) convert all or any of its fully paid-up Shares into stock, and reconvert that stock into fully paid-up Shares of any denomination;
  - (iii) sub-divide its existing Shares, or any of them, into Shares of smaller amount;
  - (iv) cancel any Shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any Person; or
  - (v) reclassify the Shares in the Authorised Capital of the Company, subject to a resolution passed by the Shareholders of the Company.
94. Where Shares are converted into stock:
- (i) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the Shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit; *Provided that* the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the Shares from which the stock arose.
  - (ii) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred that privilege or advantage.
  - (iii) such of the regulations of the Company as are applicable to paid-up Shares shall apply to stock.
95. Subject to the provisions of the Act, the Company may, from time to time, by Special Resolution reduce in any manner and with, and subject to, any incident authorised and consent required under applicable Law:
- (i) the Share Capital;
  - (ii) any capital redemption reserve account;
  - (iii) any securities premium account; and/or

- (iv) any other reserve in the nature of Share Capital.

## **XVII. CAPITALISATION OF PROFITS**

96. The Company in General Meeting may, upon the recommendation of the Board, resolve –
- (i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account or otherwise available for distribution; and
  - (ii) that such sum be accordingly set free for distribution in the manner specified in Article 97 below amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
97. The sum aforesaid shall not be paid in cash, but shall be applied, subject to the provision contained in Article 99 below, either in or towards:
- (i) paying of any amounts for the time being unpaid on any Shares held by such Members respectively;
  - (ii) paying up in full, un-issued Shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;
  - (iii) partly in the way specified in Article 97(i) and partly in that specified in Article 97(ii);
  - (iv) a securities premium account and a capital redemption reserve account may, for the purposes of this Article, be applied in the paying up of un-issued Shares to be issued to Members of the Company as fully paid bonus Shares; or
  - (v) the Board shall give effect to the resolution passed by the Company in pursuance of this Article.
98. Whenever such a resolution as aforesaid shall have been passed, the Board shall:
- (i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid Shares, if any; and
  - (ii) generally, do all acts and things required to give effect thereto.
99. The Board shall have power to:
- (i) make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of Shares or Debentures becoming distributable in fractions; and
  - (ii) authorise any Person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of

the amount or any part of the amounts remaining unpaid on their existing Shares.

100. Any agreement made under such authority shall be effective and binding on such Members.

### **XVIII. BUY-BACK OF SHARES**

101. Notwithstanding anything contained in these Articles, subject to the provisions of Sections 68 to 70 and other applicable provisions of the Act or any other Law for the time being in force, the Company shall have the power to purchase its own Shares or other Securities, as it may consider necessary.

### **XIX. COMPROMISE AND ARRANGEMENTS**

102. Subject to the provisions of the Act and the Listing Regulations, the Company shall have the power to make compromise or make arrangements with creditors and Members, consolidate, demerge, amalgamate or merge with other company or companies in accordance with the provisions of the Act, the Listing Regulations and any other applicable Laws.

### **XX. SHAREHOLDERS' MEETINGS**

103. The Company shall hold an Annual General Meeting within six months after the expiry of each financial year subject however to the power of the Registrar of Companies to extend the time within which such a meeting can be held for a period not exceeding six months and (subject thereto) not more than 15 months shall elapse from the date of one Annual General Meeting and that of the next. In the event that the Company is among the top 100 (one hundred) listed entities by market capitalization, the Annual General Meeting shall be held within 5 (five) months from the end of the financial year (or such other period prescribed under the Listing Regulations).
104. Every Annual General Meeting shall be called during business hours on a day that is not a national holiday (declared as such by the central government) and shall be held either at the registered office or at some other place within the city in which the registered office of the Company is situated, as the Board may determine. Every Member of the Company shall be entitled to attend every General Meeting either in person or by Proxy.
105. All notices of, and other communications relating to, any General Meeting shall be forwarded to the Auditor of the Company, and the Auditor shall, unless otherwise exempted by the Company, attend either by himself or through his authorised representative, who shall also be qualified to be an Auditor, any General Meeting and shall have right to be heard at such meeting on any part of the business which concerns him as the Auditor.
106. The Shareholders shall exercise their voting rights at any meeting of the Shareholders of the Company determined on the basis of the equity Shares actually held.
107. All General Meetings other than the Annual General Meeting shall be called extraordinary General Meetings.
108. The Board may, whenever it thinks fit, call an extraordinary General Meeting.
109. If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, any Director or any two Members of the Company may call an extraordinary General Meeting in the same manner, as nearly as possible, as that in which such a meeting may be called

by the Board.

110. The Board may call for extra-ordinary General Meeting on requisition in compliance with the provisions of the Act and the Listing Regulations.
111. A General Meeting of the Company may be convened by giving not less than clear 21 (twenty-one) days' notice either in writing or through electronic mode in such manner as prescribed under the Act, with an explanatory statement containing all relevant information relating to the agenda for the General Meeting. Unless waived in writing by all the Shareholders, any item not specifically included in the agenda of a Shareholders' meeting shall not be considered or voted upon at that meeting of the Shareholders (including at any adjournments thereof). *Provided that* a General Meeting may be called after giving shorter notice if consent, in writing or by electronic mode, is accorded thereto by the Shareholders in the following manner: (a) in the case of an Annual General Meeting, by not less than 95% (ninety-five percent) of the Members entitled to vote thereat; and (b) in the case of any General Meeting other than Annual General Meeting, majority in number of Members entitled to vote and who represent not less than 95% (ninety-five percent) of such part of the paid-up Share Capital of the Company as gives a right to vote at the meeting.
112. Notice of every General Meeting shall be given to the Members and to such other Person or Persons as required by and in accordance with Section 101 and 102 of the Act and it shall be served in the manner authorized by Section 20 of the Act.
113. A General Meeting may be called after giving shorter notice if consent, in writing or by electronic mode, is accorded thereto in accordance with the provisions of Section 101 of the Act. Provided that where any Member of the Company is entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those Members shall be taken into account for the purposes of this Article in respect of the former resolution or resolutions and not in respect of the latter.
114. Any accidental omission to give notice to, or the non-receipt of such notice by, any Member or other Person who is entitled to such notice for any meeting shall not invalidate the proceedings of the meeting.
115. Subject to the provisions contained under Section 115 of the Act, where, by any provision contained in the Act or in these Articles, special notice is required of any resolution, notice of the intention to move such resolution shall be given to the Company by such number of Members holding not less than one per cent of total voting power or holding Shares on which such aggregate sum not exceeding five lakh rupees, has been paid-up and the Company shall immediately after receipt of the notice, give its Members notice of the resolution at least 7 (seven) days before the meeting, exclusive of the day of dispatch of notice and day of the meeting, in the same manner as it gives notice of any General Meetings.

## **XXI. PROCEEDINGS AT SHAREHOLDERS' MEETINGS**

116. No business shall be transacted at any General Meeting, unless a quorum of Members is present at the time when the meeting proceeds to transact business.
117. Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act.
118. The Chairperson, if any, of the Board shall preside as Chairperson at every General Meeting of the

Company.

119. If there is no such Chairperson, or if he is not present within 15 (fifteen) minutes after the time appointed for holding the meeting, or is unwilling to act as Chairperson of the meeting, the vice Chairperson of the Company, if any shall preside at such General Meeting of the Company and if the vice Chairperson is unwilling to chair the meeting then the Directors present shall elect one of their Members to be Chairperson of the meeting.
120. If at any meeting no Director is willing to act as Chairperson or if no Director is present within 15 (fifteen) minutes after the time appointed for holding the meeting, the Members present shall choose one of their Members to be Chairperson of the meeting.
121. In the event a quorum as required herein is not present within 30 (thirty) minutes of the appointed time, then subject to the provisions of Section 103 of the Act, the General Meeting shall stand adjourned to the same place and time 7 (seven) days later or to such other date and such other time and place as the Board may determine, provided that the agenda for such adjourned General Meeting shall remain the same. The said General Meeting if called by requisitionists under Section 100 of the Act shall stand cancelled.
122. In case of an adjourned meeting or of a change of day, time or place of meeting, the Company shall give not less than 3 (three) days' notice to the Members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the Company is situated.
123. If at the adjourned meeting also a quorum is not present within 30 (thirty) minutes from the time appointed for holding such meeting, the Members present shall be the quorum and may transact the business for which the meeting was called.
124. The Chairperson may, with the consent of Members at any meeting at which a quorum is present, and shall, if so directed at the meeting, adjourn the meeting, from time to time and from place to place.
125. No business shall be transacted at any adjourned General Meeting other than the business left unfinished at the meeting from which the adjournment took place.
126. When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
127. Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
128. Before or on the declaration of the results of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairperson of the meeting on his/ her own motion and shall be ordered to be taken by him/ her on a demand made in accordance with Section 109 of the Act.
129. Notwithstanding anything contained elsewhere in these Articles, the Company:
  - (i) shall, in respect of such items of business as the central government may, by notification, declare or which are under any other applicable Law required to be transacted only by means of postal ballot; and

- (ii) may, in respect of any item of business, other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact by means of postal ballot,

in such manner as may be prescribed, instead of transacting such business at a General Meeting and any resolution approved by the requisite majority of the Members by means of such postal ballot, shall be deemed to have been duly passed at a General Meeting convened in that behalf and shall have effect accordingly.

- 130. Directors may attend and speak at General Meetings, whether or not they are Shareholders. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act and these Articles.
- 131. The Chairperson of the Board of Directors shall, preside as chairperson at every General Meeting, annual or extraordinary.
- 132. If there is no such Chairperson or if he is not present within 15 (fifteen) minutes after the time appointed for holding the General Meeting or is unwilling to act as the Chairperson of the General Meeting, the Directors present shall elect one of their Members to be the Chairperson of the General Meeting.
- 133. If at any General Meeting no Director is willing to act as the Chairperson or if no Director is present within 15 (fifteen) minutes after the time appointed for holding the General Meeting, the Members present shall choose one of their Members to be the Chairperson of the General Meeting. If a poll is demanded on the election of the Chairperson, it shall be taken forthwith in accordance with the provisions of the Act and the Chairperson elected on show of hands shall exercise all the powers of the Chairperson under the said provisions. If some other person is elected Chairperson as a result of the poll, he shall be the Chairperson for the rest of the meeting.
- 134. The Company shall cause minutes of the proceedings of every General Meeting of any class of Members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Act and kept by making within 30 (thirty) days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.
- 135. The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.
- 136. The books containing the minutes of the proceedings of any General Meeting of the Company or a resolution passed by postal ballot shall:
  - (i) be kept at the registered office of the Company; and
  - (ii) be open to inspection by any Member without charge, during the business hours of the Company.
- 137. Any Member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes.
- 138. Provided that a Member who has made a request for provision of a soft copy of the minutes of any

previous General Meeting held during the period immediately preceding three financial years, shall be entitled to be furnished on payment of such fee as prescribed under the Act.

139. The Chairman has absolute discretion to exclude from the minutes, matters which in his opinion are or could reasonably be regarded as defamatory of any person, irrelevant or immaterial to the proceedings or which are detrimental to the interests of the Company.
140. If, for reasons beyond the control of the Board, a General Meeting cannot be held on the date originally fixed, the Board may reconvene the General Meeting, to transact the same business as specified in the original notice, after giving not less than 3 (three) days intimation to the Members. The intimation shall be either sent individually in a manner prescribed under the Act or published in a vernacular newspaper in the principal vernacular language of the district in which the registered office of the Company is situated, and in an English newspaper in English language, both having a wide circulation in that district.

## **XXII. VOTES OF MEMBERS**

141. Subject to any rights or restrictions for the time being attached to any class or classes of Shares:
  - (i) on a show of hands, every Member present in Person shall have 1 (one) vote; and
  - (ii) on a poll, the voting rights of Members shall be in proportion to their Share in the paid-up equity Share Capital.
142. At any General Meeting, a resolution put to vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the voting on any resolution on show of hands) demanded by any Member or Members present in person or by Proxy, and having not less than one-tenth of the total voting power or holding Shares on which an aggregate sum of not less than INR 5,00,000 (Indian Rupees Five Lakh only) or such higher amount as may be prescribed has been paid up. The Company shall provide to its Members the facility of remote e-voting in respect of all resolutions to be passed at general meetings in accordance with applicable law.
143. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
144. A Member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.
145. In case of joint holders, the vote of the senior who tenders a vote, whether in person or Proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names are stated in the register of Members of the Company.
146. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by Proxy.
147. No Member shall be entitled to exercise any voting rights either personally or by Proxy at any General Meeting or meeting of a class of Shareholders either upon a show of hands or upon a poll in respect of any Shares registered in his/ her name on which any calls or other sums presently

payable by him in respect of Shares in the Company have not been paid.

148. No objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General Meeting at which the vote objected to is given or tendered, and every vote not disallowed at such General Meeting and whether given personally or by Proxy or otherwise shall be deemed valid for all purposes. Any such objection made in due time shall be referred to the Chairperson of the General Meeting whose decision shall be final and conclusive.

### **XXIII. PROXY**

149. Subject to the provisions of the Act and these Articles, any Member of the Company entitled to attend and vote at a General Meeting of the Company shall be entitled to appoint a Proxy to attend and vote instead of himself and the Proxy so appointed shall have no right to speak at the meeting.
150. The Proxy shall not be entitled to vote except on a poll.
151. The instrument appointing a Proxy and the power of attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office not less than 48 (forty eight) hours before the time for holding the meeting or adjourned meeting at which the Person named in the instrument proposes to vote; or in the case of a poll, not less than 24 (twenty four) hours before the time appointed for the taking of the poll; and in default the instrument of Proxy shall not be treated as valid.
152. An instrument appointing a Proxy shall be in the form as prescribed under the Act.
153. A vote given in accordance with the terms of an instrument of Proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the Proxy or of the authority under which the Proxy was executed, or the transfer of the Shares in respect of which the Proxy is given; *provided that* no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or the adjourned meeting at which the Proxy is used.
154. Proxy forms shall be sent to all holders of Securities, and shall provide the option for the holder to vote either for or against each resolution. The requirement to send proxy forms shall not be applicable to General Meetings held only through electronic mode.

### **XXIV. DIRECTORS**

155. The business of the Company shall be managed by the Directors who may pay all expenses incurred in setting up and registering the Company and may exercise all such powers of the Company as are not restricted by the Act or by these Articles.
156. Subject to the provisions of the Act, the Listing Regulations and other applicable Laws, the Board of the Company shall comprise of 12 (twelve) Directors as follows:
- (i) AHL Promoter;
  - (ii) 3 (three) Directors jointly nominated by the Promoters;
  - (iii) 1 (one) Director nominated by AHSL;
  - (iv) 1 (one) Director nominated by Rasmeli; and
  - (v) 6 (six) Independent Directors.



157. AHL Promoter shall act as the executive Chairperson of the Board of the Company subject to and on the terms and conditions as may be agreed between her and the Company.
158. At least one Director shall reside in India for a total period of not less than 182 (one hundred and eighty-two) days in each financial year, provided that in case of a newly incorporated company the requirement under this sub-section shall apply proportionately at the end of the financial year in which it is incorporated. The Board shall have at least one woman Director, as may be prescribed by applicable law.
159. The number of the Directors and the names of the first Directors shall be determined in writing by the subscribers of the Memorandum or a majority of them. The first Directors of the Company shall be:
- (i) Ms. Shobana Kamineni;
  - (ii) Mr. Madhivanan Balakrishnan; and
  - (iii) Mr. P. Jayakumar
160. Pursuant to the provisions of the Act and other applicable Law, the Board shall have the power to fix Director's remuneration and/or sitting fees for each meeting of the Board or a committee thereof, subject to approval of the Shareholders, if and as required under the Act and / or the Listing Regulations. The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
161. The Directors may also be paid travelling and other expenses for attending and returning from meeting of the Board of Directors or any committee thereof or General Meeting (including hotel expenses) and any other expenses properly incurred by them in connection with the business of the Company.
162. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such Person and in such manner as the Board shall from time to time by resolution determine.
163. Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
164. The Board may appoint an alternate director to act for a Director during his absence for a period of not less than 3 months from India in which the meetings of the Board are ordinarily held and the appointment will be as per the provisions of the Act.
165. The office of a Director shall automatically become vacant, if he is disqualified under any of the provisions of the Act. Further, subject to the provisions of the Act, a Director may resign from his office at any time by giving a notice in writing to the Company and the Board shall on receipt of such notice take note of the same and the Company shall intimate the Registrar and also place the fact of such resignation in the report of Directors laid in the immediately following General Meeting. Such Director may also forward a copy of his resignation along with detailed reasons for the resignation to the Registrar within 30 (thirty) days of resignation. The resignation of a Director shall take effect from the date on which the notice is received by the Company or the date, if any, specified by the Director in the notice, whichever is later.

166. The Board shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of Directors by rotation. Independent Directors shall not be liable to retire by rotation and shall not be counted for the purpose. The maximum tenure of Independent Directors shall be in accordance with the Act and the Listing Regulations.
167. At the Annual General Meeting to be held in every year, one third of the Directors are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re- election.
168. The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.
169. No Person shall be appointed as a Director unless he furnishes to the Company his director identification number under Section 156 of the Act or any other number as may be prescribed under Section 153 of the Act and a declaration that he is not disqualified to become a Director under the Act.
170. The appointment, re-appointment, or removal of an Independent Director shall be in accordance with the provisions of the Act and the Listing Regulations.
171. No Person appointed as a Director shall act as a Director unless he gives his consent to hold the office as a Director and such consent has been filed with the Registrar within 30 (thirty) days of his appointment in the manner prescribed in the Act.
172. Subject to the provisions of the Act, the Directors shall have the power, at any time and from time to time to appoint any Persons as additional Director in addition to the existing Directors so that the total number of Directors shall not at any time exceed the number fixed for Directors in these Articles. Any Director so appointed shall hold office only until the next following Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier, but shall be eligible for re-appointment as Director in accordance with the provisions of the Act and Listing Regulations.
173. The Company may by Ordinary Resolution, of which special notice has been given in accordance with the Section 169 of the Act, remove any Director including the Managing Director, if any, before the expiration of the period of his office.
174. If the office of any Director appointed by the Company in General Meeting, is vacated before his term of office expires in the normal course, the resulting casual vacancy may be filled up by the Board at a meeting of the Board but any Person so appointed shall retain his office so long only as the vacating Director would have retained the same if such vacancy had not occurred.
175. In the event of the Company borrowing any money from any financial corporation or institution or government or any government body or a collaborator, bank, Person or Persons or from any other source, while any money remains due to them or any of them the lender concerned may have and may exercise the right and power to appoint, from time to time, any Person or Persons to be a Director or Directors of the Company and the Directors so appointed, shall not be liable to retire by rotation, subject however, to the limits prescribed by the Act. Any Person so appointed may at any time be removed from the office by the appointing authority who may from the time of such

removal or in case of death or resignation of Person, appoint any other or others in his place. Any such appointment or removal shall be in writing, signed by the appointee and served on the Company.

- 176. A Director shall not be required to hold qualification Shares of the Company.
- 177. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly or reasonably.

## **XXV. MEETINGS OF THE BOARD**

- 178. The Board may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- 179. A Director may, and the manager or the Secretary of the Company upon the requisition of a Director shall, at any time convene a meeting of the Board.
- 180. Subject to the provisions the Act and the Listing Regulations, the Board shall meet at least 4 (four) times in a year in such a manner that not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive meetings of the Board.
- 181. The quorum for the meeting of the Board shall be as provided in the Act and the Listing Regulations.
- 182. The continuing Directors may act notwithstanding any vacancy in the Board; but if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a General Meeting of the Company, but for no other purpose.
- 183. If quorum is found to be not present within 30 (thirty) minutes from the time when the meeting should have begun or if during the meeting, valid quorum no longer exists, the meeting shall be reconvened at the same time and at the same place 7 (seven) days later. At the reconvened meeting, the Directors present and not being less than 2 (two) Persons shall constitute the quorum and may transact the business for which the meeting was called and any resolution duly passed at such meeting shall be valid and binding on the Company.
- 184. Subject to the provisions of the Act allowing for shorter notice periods, a meeting of the Board shall be convened by giving not less than 7 (seven) days' notice in writing to every Director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means.
- 185. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- 186. The Board may elect a Chairperson for its meetings and determine the period for which he is to hold office. If at any meeting the Chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the Directors present may choose one of their Members to be Chairperson of the meeting.

187. In case of equality of votes, the Chairperson of the Board shall have a casting vote at Board Meetings of the Company.
188. The Board may, subject to the provisions of the Act and the Listing Regulations, delegate any of its powers to committees consisting of such Member or Members of its body as it thinks fit.
189. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
190. A committee may elect a Chairperson of its meetings and may also determine the period for which he is to hold office. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within 5 (five) minutes after the time appointed for holding the meeting, the Members present may choose one of their Members to be Chairperson of the meeting.
191. A committee may meet and adjourn as it thinks fit.
192. The chairperson of a committee, if any, shall have a second or casting vote.
193. All acts done in any meeting of the Board or of a committee thereof or by any Person acting as a Director shall, notwithstanding that it may be afterwards discovered that his appointment was invalid by reason of any defect for disqualification or had terminated by virtue of any provisions contained in the Act, or in these Articles, be as valid as if every such Director or such Person had been duly appointed and was qualified to be a Director. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.
194. The Company shall maintain the minutes of the meeting of the Board and its committees in compliance with the provisions of the Act.

## **XXVI. POWERS OF THE DIRECTORS**

195. Without prejudice to the generality of the powers conferred by these Articles and subject to the provisions of the Act and the rules framed thereunder, the Board is empowered to do all such acts, matters and things deemed necessary, proper or expedient for carrying on the business of the Company, excepting such acts and things as by Memorandum of the Company or these presents may stand prohibited.
196. The Board may exercise all such powers of the Company and do all such acts and things as are provided, by the Act, or any other Law or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject to the provisions of the Act, these Articles, to or any other Law and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
197. Subject to the provisions of these Articles, the Board shall exercise the powers prescribed in section 179 of the Act on behalf of the Company only by resolution passed at a meeting of the Board.

198. In furtherance of and without prejudice to the general powers conferred by or implied in the Articles and other powers conferred by these Articles and subject to the provisions of Section 179 of the Act and other provisions of the Act, it is hereby expressly declared that it shall be lawful for the Directors to carry out all or any of the objects set forth in the Memorandum of Association.
199. Subject to Section 179 of the Act, the Directors shall have the right to delegate any of their powers covered under Section 179(3)(d) to Section 179(3)(f) to any committee of the Board, managers, or any other Officer of the Company as they may deem fit and may at their own discretion revoke such powers.
200. The Board shall have the power to open bank accounts, to sign cheques on behalf of the Company and to operate all banking accounts of the Company and to receive payments, make endorsements, draw and accept negotiable instruments, hundies and bills or may authorise any other Person or Persons to exercise such powers.
201. The Board shall, or shall authorize Persons in their behalf, to make necessary filings with governmental authorities in accordance with the Act and other applicable Law, as may be required from time to time.

#### **XXVII. MANAGING DIRECTOR OR WHOLE TIME DIRECTOR**

202. The Board may, from time to time, subject to Section 196 and other applicable provisions of the Act, and sanction of central government, if required, appoint one or more of their bodies to the office of the Managing Director.
203. The Managing Director or the whole-time Director shall not be liable to retirement by rotation so long as he holds office as Managing Director, as the case may be.
204. Subject to the provisions of the Act, a Managing Director may be paid such remuneration (whether by way of salary, commission or participation in profits or partly in one way and partly in other) as the Board may determine, subject to the approval by a resolution at the next General Meeting of the Company and sanction of the central government, if applicable.

#### **XXVIII. CHIEF EXECUTIVE OFFICER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

205. Subject to the provisions of the Act:
- (i) A chief executive officer, Company Secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, Company Secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
  - (ii) A Director may be appointed as chief executive officer, Company Secretary or chief financial officer.
  - (iii) A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a Director and chief executive officer, Company Secretary or chief financial Officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, chief executive officer, Company Secretary or chief financial officer.

## **XXIX. SECRECY**

206. Every Director, Company Secretary, Officer, manager, Auditor, trustee, member of a committee, agent, Debenture holders, accountant or other Persons employed in the business of the Company shall, if so required by the Board, before entering upon the duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by any General Meeting or by the Law of the country and except so far as may be necessary in order to comply with any of the provisions in these Articles and the provisions of the Act and provisions of applicable Law.

## **XXX. THE SEAL**

207. The Board shall provide for the safe custody of the Seal of the Company. The Seal be kept at the registered office of the Company or such other place as the Board may approve.
208. The Seal shall not be affixed to any instrument except by the authority of resolution of the Board or a committee of the Board authorised by it in that behalf, and except in the presence of at least 2 (two) Directors and of Company Secretary or any other official of the Company as the Board may decide and those 2 (two) Directors and a Company Secretary or such official shall sign every instrument to which the Seal of the Company is so affixed in their presence.

## **XXXI. REGISTERS**

209. The Company shall keep and maintain at its office all statutory registers namely, register of charges, register of Members, register of Debenture holders, register of any other Security holders, the register and index of Beneficial Owners and annual return, register of loans, guarantees, Security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act. The registers and copies of annual return shall be open for inspection during the business hours. on all working days, other than Saturdays and Sundays, at the office of the Company by the Persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the rules.

## **XXXII.DIVIDEND AND RESERVES**

210. The Company in a General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. If in the event of Company declaring a conditional dividend effective only on the date of the fulfilment of the conditions of approval from the institutions or banks under any contract with them, such declaration of conditional dividend would be effective only from the date of fulfilment of such conditions and if the conditions are not fulfilled and approval of payment dividend is not granted, the dividend shall be deemed not to have been declared to the Members.
211. Subject to the provisions of Section 123 and other provisions of the Act, the Board may from time to time pay to the Members such interim dividends as appear to be justified by the profits of the Company. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the

Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Board may, from time to time, think fit. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

212. Subject to the rights of Persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the Shares in the Company, dividends may be declared and paid according to the amounts of the Shares.
213. No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of these Articles as paid on the Share.
214. All dividends shall be apportioned and paid proportionately to the amounts, paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid, but if any Share is issued on terms providing that it shall rank for dividend as from a particular date such Share shall rank for dividend accordingly.
215. The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the Shares.
216. Any dividend, interest or other monies payable in cash in respect of Shares may be paid by electronic mode or by cheque, demand draft or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of Members of the Company, or to such Person and to such address as the holder or joint holders may in writing direct.
217. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent.
218. Any one of two or more joint holders of a Share may give effective receipts for any dividends, bonuses or other monies payable in respect of such Share.
219. Notice of any dividend, whether interim or otherwise, that may have been declared shall be given to the Persons entitled to Share therein in the manner mentioned in the Act.
220. No dividend shall bear interest against the Company.
221. The waiver in whole or part of any dividend on any Share shall be effective if a document to the effect, signed by the Member, is delivered to the Company.
222. The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company.
223. Where a dividend has been declared by the Company but has not been paid or claimed within thirty days from the date of the declaration to any Shareholder entitled to the payment of the dividend, the Company shall, within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called the 'Unpaid Dividend Account'.

224. Any money transferred to the 'Unpaid Dividend Account' of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company along with the interest accrued, if any, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act. There shall be no forfeiture of unclaimed or unpaid dividends before the claim becomes barred by Law.
225. All Shares in respect of which the dividend has not been paid or claimed for 7 (seven) consecutive years or more shall be transferred by the Company in the name of Investor Education and Protection Fund as per provisions of section 124 of the Act and the relevant rules made thereunder.
226. Any General Meeting declaring a dividend or bonus may make, a call on the Members of such amounts as the General Meeting fixes, but so that the call on each Member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may if so be made payable at the same time as the dividend and the dividend may if so arranged between the Company and themselves be set off against the call.
227. The Directors may retain the dividends payable upon Shares in respect of which any person is under the transmission clause entitled to become a Member in respect thereof or shall duly transfer the same.
228. Any transfer of Shares shall not pass the right to any dividend declared thereto before the registration of the transfer.

### **XXXIII. INSPECTION OF ACCOUNTS**

229. The Board shall cause proper books of account to be maintained under Section 128 and other applicable provisions of the Act.
230. The books of account and books and papers of the Company, or any of them, shall be open to the inspection of Directors in accordance with the applicable provisions of the Act.
231. The Board shall, from time to time, in accordance with the Act, determine whether and to what extent and at what times, places and under what conditions or regulations all books of the Company or any of them shall be open to inspection of Members not being Directors.
232. No Member (not being a Director) or other Person shall have any right of inspecting any account book or document of the Company except as conferred by Law or authorised by the Board or by the Company in General Meetings.

### **XXXIV. AUDIT**

233. The appointment, reappointment and rotation of the Auditors of the Company shall as per the provisions of the Act.
234. The Directors may fill up any casual vacancy in the office of the Auditors.
235. The remuneration of the Auditors shall be fixed in the Annual General Meeting or in such manner as the Company may in the General Meeting determine, by the audit committee of the Board / Board except that remuneration of the first Auditor may be fixed by the Board.



## **XXXV. BORROWING POWERS**

236. Subject to Sections 73, 179, 180 and other provisions of the Act, the Board may, from time to time, at their discretion raise or borrow or secure the payment of any sum or sums of money for and on behalf of the Company. Any such money may be raised or the payment or repayment thereof may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit and in particular by the issue of bonds, perpetual or redeemable Debentures of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any lands, buildings, machinery, plant, goods or other property and Securities of the Company or by other means as the Board deems expedient.

## **XXXVI. WINDING UP**

237. Subject to the provisions of Chapter XX of the Act and rules made thereunder-
- (i) If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
  - (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.
  - (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Member shall be compelled to accept any Shares or other Securities whereon there is any liability.

## **XXXVII. INDEMNITY**

238. Subject to the provisions of the Act, every Officer shall be indemnified by the Company against liability in respect of matters which arise from acts or omissions of the relevant Person in the ordinary course of discharging his or her authorized duties other than liability which arises as a result of that Person's dishonesty, fraud or negligence, and it shall be the duty of the Directors, out of the funds of the Company to pay all costs, losses and expenses (including travelling expenses) which any such Officer, may incur or become liable to, by reason of any contract entered into or act or deed done by him as such Officer, or in any way in the discharge of his duties.
239. Every Officer of the Company out of the assets of the Company shall be indemnified by the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the National Company Law Tribunal.
240. Subject to the provisions of the Act, no Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Officer, for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Officers for or on behalf of the Company, or for the insufficiency or deficiency of any Security in or upon which any of the moneys of the Company shall be invested, or for any loss or damages arising from the bankruptcy, insolvency or tortious act of any person, Company or corporation with whom any moneys,

Securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgement or oversight on his part or for any loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same happens through his own act or default.

#### **XXXVIII. POWER OF ATTORNEY**

241. The Board may appoint at any time and, from time-to-time by a power of attorney under the Company's Seal, any person to be the attorney of the Company for such purpose and with such powers authorities and discretions not exceeding those vested in or exercisable by the Board under these Articles and for such period and subject to such conditions as the Board may from time-to-time think fit and any such appointment may, if the Board thinks fit be made in favor of the Members, Directors, nominees or managers of the Company or otherwise in favor of any body or persons whether nominated directly or indirectly by Board and such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the Board may think fit.
242. The Board may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him.

#### **XXXIX. AUTHENTICATION OF DOCUMENTS**

243. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company, or contracts made by or on behalf of the Company, may be signed by any Director or an Officer of the Company duly authorized by the Board on its behalf.

#### **XL. GENERAL AUTHORITY**

244. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company cannot carry out any transaction unless the Company is so authorized by its Articles then in that case, these Articles hereby authorize and empower the Company to have such rights, privilege or authority and to carry out such transaction as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

# Subscriber Details

S. No.	Subscriber Details				
	*Name, Address, Description and Occupation	DIN / PAN / Passport number	*Place	DSC	Dated
1	HARSHAD REDDY	0*3*4*9*	Chennai	HARSHAD REDDY	09/05/2025
2	JAYAKUMAR PANDURANGA N	0*5*6*8*	Hyderabad	JAYAKUMAR PANDURANGA N	09/05/2025
3	SHOBANA KAMINENI	0*0*3*3*	Hyderabad	SHOBANA KAMINENI	09/05/2025
4	REDDY SINDOORI	0*2*8*4*	Chennai	REDDY SINDOORI	09/05/2025
5	ANUSHPALA KAMINENI	0*4*6*8*	Chennai	ANUSHPALA KAMINENI	09/05/2025
6	SINGANA OBUL REDDY	0*0*7*2*	Chennai	SINGANA OBUL REDDY	09/05/2025
7	ANINDITH REDDY KONDA	0*8*3*9*	Hyderabad	ANINDITH REDDY KONDA	09/05/2025

Signed before me						
Name Prefix (ACA/FCA/ACS/ FCS/ACMA/ FCMA)	*Name of the witness	*Address, Description and Occupation	*DIN / PAN / Passport number / Membership	*Place	DSC	Dated
FCA	RANAGANA THAN LAKS HMINARAYANAN	No.12, Athreyapuram, 2nd Street, Choolaimedu, Chennai-600094	2*4*4*	Chennai	RANAGANA THAN LAKS HMINARAYANAN	09/05/2025

