

Certified True Copy
The Tata Power Company Limited

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Company Secretary

SCHEME OF AMALGAMATION
OF
CHEMICAL TERMINAL TROMBAY LIMITED
WITH
THE TATA POWER COMPANY LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS
AND
THEIR CREDITORS
UNDER SECTIONS 391 and 394 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES
ACT, 1956

PREAMBLE

This Scheme of Amalgamation provides for the amalgamation of Chemical Terminal Trombay Limited, a company incorporated under provisions of the Companies Act, 1956 having its registered office at Pir Pau Installation, Near MbPT Pump House, Behind Tata Power Company's Unit V Power Station, Trombay, Chembur, Mumbai - 400074 ("**Transferor Company**") with The Tata Power Company Limited, a company incorporated under the Indian Companies Act VIII of 1913, having its registered office at Bombay House, 24, Homi Mody Street, Mumbai 400 001 ("**Transferee Company**"), pursuant to the relevant provisions of the Companies Act, 1956.

1. DEFINITIONS

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

- 1.1. "**Act**" or "**the Act**" means the Companies Act, 1956 and/or the Companies Act, 2013 as in force from time to time; it being clarified that as on the date of approval of this Scheme by the Boards of Directors of the Transferor Company and the Transferee Company, Sections 391 and 394 of the Companies Act, 1956 continue to be in force with the corresponding provisions of the Companies Act, 2013 not having been notified. Accordingly, references in this Scheme to particular provisions of the Act are references to particular provisions of the Companies Act, 1956. Upon such provisions standing re-enacted by enforcement of provisions of the Companies Act, 2013, such references shall, unless a different intention appears, be construed as references to the provisions so re-enacted;
- 1.2. "**Appointed Date**" means 1 April, 2014 or such other date directed by or stipulated by the High Court as may be applicable;
- 1.3. "**Board of Directors**" or "**Board**" means the board of directors of the Transferor Company and/ or the Transferee Company, as the case may be, and shall include a duly constituted committee for the implementation of this Scheme;
- 1.4. "**Effective Date**" means the last of the dates specified in Clause 22 of this Scheme;

Any references in this Scheme to "upon this Scheme becoming effective" or "upon coming into effect of this Scheme" or "upon the Scheme coming into effect" shall be construed to be a reference to the Effective Date; provided however, that such references shall not affect the deemed taking into effect of certain parts of this Scheme, whether prior to, or after, other parts of this Scheme, as specifically contemplated herein.

- 1.5. "**Governmental Authority**" means any applicable Central or State Government or local body, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction;
- 1.6. "**High Court**" means the High Court of Judicature at Bombay. It is hereby clarified that in the event that the provisions of the Companies Act, 2013 pertaining to schemes of arrangements become applicable and effective for the purposes of this Scheme, all reference to the High Court shall be deemed to include references to

the National Company Law Tribunal to be constituted under the Companies Act, 2013;

- 1.7. **"SEBI"** means Securities and Exchange Board of India;
- 1.8. **"Income tax Act, 1961"** means the Income tax Act, 1961, including any statutory modifications, re-enactments or amendments thereof for the time being in force;
- 1.9. **"Scheme"** or **"the Scheme"** or **"this Scheme"** means this Scheme of Amalgamation in its present form or with any modification(s) made under Clause 21 of this Scheme or any modifications approved or directed by the High Court or any other Governmental Authority;
- 1.10. **"Transferee Company"** means The Tata Power Company Limited, a company incorporated under the provisions of the Companies Act, VII of 1913 having its registered office at Bombay House, 24, Homi Mody Street, Mumbai 400 001;
- 1.11. **"Transferor Company"** means Chemical Terminal Trombay Limited, a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Pir Pau Installation, Near MbPT Pump House, Behind Tata Power Company's Unit V Power Station, Trombay, Chembur, Mumbai – 400 074.
- 1.12. **"Undertaking"** shall mean the entire business and the whole of the undertakings of the Transferor Company as a going concern, all its assets, rights, licenses and powers, and all its debts, outstandings, liabilities, duties and obligations as on the Appointed Date including, but not in any way limited to, the following:
 - a. All the assets and properties (whether movable or immovable, agricultural and non-agricultural land, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including, without being limited to, buildings and structures, offices, residential and other premises, capital work in progress, sundry debtors, furniture, fixtures, office equipment, appliances, vehicles, accessories, power lines, depots, deposits, all stocks, stocks of fuel, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash balances or deposits with banks, loans, advances, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, fixed and other assets, trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including sales tax deferrals, title, interests, other benefits (including tax benefits), easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor

Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature 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 the Transferor Company, whether in India or abroad.

- b. All agreements, rights, contracts, entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company's business activities and operations.
- c. Entitlements, including tenancy rights, held by the Transferor Company or which may accrue or become due to it as on the Appointed Date or may become so due or entitled to thereafter.
- d. All intellectual property rights, records, files, papers, computer programmes, manuals, data, catalogues, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the Transferor Company's business activities and operations.
- e. Amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess or of any excess payment.
- f. Right to any claim, whether preferred or made by the Transferor Company or not, in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or Scheme made by the Governmental Authority, and in respect of set-off, carry forward of un-absorbed losses, availability of Minimum Alternate Tax credit, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, deferment of sales tax, etc. under the Income-tax Act, 1961, and the Cenvat / Modvat credit balances under the Central Excise Act, 1944, or any other or like benefits under the said acts or under and in accordance with any law or act.
- g. All debts (secured and unsecured), liabilities including contingent liabilities, duties, leases of the Transferor Company and all other obligations of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilised.
- h. All other obligations of whatsoever kind, including liabilities in respect of the employees of the Transferor Company with regard to the payment of gratuity, pension benefits and the provident fund or compensation, if any, in the event of voluntary retirement or retrenchment.
- i. All staff, workmen, employees or other labour of the Transferor Company.

The expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meanings ascribed to them under the Act, Income tax Act, 1961 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.

2. DATE OF TAKING EFFECT

The Scheme shall be effective from the Appointed Date mentioned herein but shall be operative from the Effective Date.

3. NATURE OF BUSINESS

3.1. Nature of Business of Transferor Company

Transferor Company is, *inter alia*, engaged in the business providing bulk storage facility of liquid chemicals and petroleum products apart from coal handling operations, fly ash disposal management services and generation of electricity by renewable energy resources. The Transferor Company is an unlisted company.

3.2. Nature of Business of Transferee Company

Transferee Company is, *inter alia*, engaged in the business of generation of electricity with presence in all the segments of the power sector viz. Fuel and Logistics, Generation (thermal, hydro, solar and wind), Transmission and Distribution.. The Transferee Company is a listed company, having its equity shares listed on BSE Limited and the National Stock Exchange of India.

4. CAPITAL STRUCTURE

4.1. The share capital of the Transferor Company as per the last audited accounts for the year ended as on 31st March, 2014 is as under:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<i>Equity Shares</i>	
10,00,000 Equity Shares of Rs. 100 each.	10,00,00,000
Total	<u>10,00,00,000</u>
<u>Issued, Subscribed and Paid-up Capital</u>	
<i>Equity Shares</i>	
1,86,200 Equity Shares of Rs. 100 each.	1,86,20,000
Total	<u>1,86,20,000</u>

4.2. Subsequent to 31st March, 2014, and up to the date of approval of this Scheme by the Board of Directors of Transferor Company, there has been no change in the

share capital of the Transferor Company. The share capital of the Transferor Company as on 30th June, 2014 is as set out below.

Particulars	Amount
	<i>(In Rupees)</i>
<u>Authorized Capital</u>	
<i>Equity Shares</i>	
10,00,000 Equity Shares of Rs. 100 each.	10,00,00,000
	<u>10,00,00,000</u>
<u>Issued, Subscribed and Paid-up Capital</u>	
<i>Equity Shares</i>	
1,86,200 Equity Shares of Rs. 100 each.	1,86,20,000
	<u>1,86,20,000</u>

4.3. The share capital of the Transferee Company as per the last audited accounts for the year ended as on 31st March, 2014 is as under:

Particulars	Amount
	<i>(In Rupees)</i>
<u>Authorized Capital</u>	
<i>Equity Shares</i>	
300,00,00,000 Equity Shares of Rs. 1 each	300,00,00,000
<i>Cumulative Redeemable Preference Shares</i>	
2,29,00,00,000 Cumulative Redeemable Preference Shares of Rs. 100 each	229,00,00,000
Total	<u>529,00,00,000</u>
 <u>Issued Share Capital</u>	
242,94,70,840 Equity Shares of Rs. 1 each	242,94,70,840
<u>Subscribed and Paid-up</u>	
237,30,72,360 Equity Shares of Rs. 1 each	237,30,72,360
Less : Calls in arrears	4,00,000
Add : Equity Shares forfeited	6,00,000
Total Issued, Subscribed and Fully Paid-up Share Capital	<u>237,33,00,000</u>

- 4.4. Subsequent to the above accounts date, the share capital of the Transferee Company has changed. The share capital of the Transferee Company, as per the latest unaudited accounts as on 30th June, 2014 is as under:

Particulars	Amount (In Rupees)
<u>Authorized Capital</u>	
<i>Equity Shares</i>	
300,00,00,000 Equity Shares of Rs. 1 each	300,00,00,000
<i>Cumulative Redeemable Preference Shares</i>	
2,29,00,000 Cumulative Redeemable Preference Shares of Rs. 100 each	229,00,00,000
Total	529,00,00,000
<u>Issued, Subscribed and Paid-up Capital</u>	
<u>Issued Share Capital</u>	
276,17,00,970 Equity Shares of Rs. 1 each	276,17,00,970
<u>Subscribed and Paid-up</u>	
270,46,25,254 Equity Shares of Rs. 1 each	270,46,25,254
Less : Calls in arrears	4,00,000
Add : Equity Shares forfeited	6,00,000
Total Issued, Subscribed and Paid-up Capital	270,48,25,254

- 4.5. Subsequent to 30th June, 2014, and up to the date of approval of this Scheme by the Board of Directors of Transferee Company, there has been no change in the share capital of the Transferor Company.

5. BACKGROUND AND RATIONALE FOR THE SCHEME

- 5.1. The Tata Power Company Limited is a multinational power generation company having presence in several countries across the globe through its subsidiaries. The Tata Power Company Limited has subsidiaries in India undertaking the power generation business. The Transferor Company is engaged in the business providing bulk storage facility of liquid chemicals and petroleum products apart from coal handling operations, fly ash disposal management services
- 5.2. The rationale for the proposed amalgamation are, *inter-alia*, as follows:-

- 5.2.1. The Transferor Company is a wholly owned subsidiary of the Transferee Company. A consolidation of the Transferor Company and the Transferee Company by way of amalgamation would therefore lead to a more efficient utilization of capital and create a consolidated base for future growth of the amalgamated entity.
- 5.2.2. The proposed amalgamation will result in administrative and operational rationalization, organizational efficiencies, reduction in overheads and other expenses and optimal utilization of various resources. It will prevent cost duplication that can erode financial efficiencies of the holding structure and the resultant operations would be substantially cost-efficient. Consequently, the Transferee Company will offer a strong financial structure to all creditors including the creditors of the Transferor Company, facilitate resource mobilization and achieve better cash flows. The synergies created by the amalgamation would increase operational efficiency and integrate business functions.
- 5.2.3. The proposed amalgamation will reduce managerial overlaps, which are necessarily involved in running multiple entities.
- 5.2.4. The Transferor Company is a wholly owned subsidiary of the Transferee Company and all the shares of the Transferor Company are presently held by the Transferee Company jointly with certain holders. The Scheme envisages transfer of the Undertaking of the Transferor Company to the Transferee Company. Accordingly, the Scheme is not prejudicial to the interest of the shareholders of the Transferor Company. As far as the creditors of the Transferor Company are concerned, the assets of the Transferee Company after amalgamation will be higher than the liabilities. Accordingly, the creditors of the Transferor Company will also not be affected by the Scheme.
- 5.2.5. The Scheme does not affect the rights and interests of the shareholders or the creditors of the Transferee Company. The shareholding and other rights of the members of the Transferee Company will remain unaffected as no new shares are being issued by the Transferee Company pursuant to this Scheme. Further, the creditors of the Transferee Company will not be affected by the Scheme.

6. AMALGAMATION OF COMPANIES

- 6.1. Upon coming into effect of the Scheme and with effect from the Appointed Date and subject to the provisions of the Scheme, the Undertaking shall, pursuant to the sanction of the Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Act, be and stand transferred to and vested in and/ or deemed to have been transferred to and vested in the Transferee Company, as a going concern, without any further act, deed, instrument, matter so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

Provided always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed of by the Transferor Company or the Transferee Company, and the Transferee Company shall not be obliged to create any further or additional security therefore after the Effective Date or otherwise.

- 6.2. All the movable assets of the Transferor Company and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery, shall be so transferred to the Transferee Company and deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, without the need to execute any separate instrument, to the Transferee Company to the end and intent that the property and benefit therein passes to the Transferee Company with effect from the Appointed Date. Such delivery and transfer shall be made on a date which shall be mutually agreed upon between the Transferor Company and the Transferee Company on or prior to the Effective Date.
- 6.3. In respect of any assets of the Transferor Company other than those mentioned in Sub Clause 6.2 above, including actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi-Government, local and other authorities and bodies and customers, the Transferor Company shall if so required by the Transferee Company, and the Transferee Company may, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the High Court having sanctioned this Scheme under Sections 391 to 394 of the Act, the relevant debt, loan, advance or other asset, be paid or made good or held on account of the Transferee Company, as the person entitled thereto, to the end and intent that the right of the Transferor Company to recover or realise the same stands transferred to the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 6.4. Upon the Scheme coming into effect and with effect from the Appointed Date, all immovable property (including but not limited to land, agricultural land, buildings, offices, factories, sites and any other immovable property, including accretions and appurtenances) of the Transferor Company, whether freehold or leasehold, and any document of title, rights, interest and easements in relation thereto shall stand transferred to and be vested in the Transferee Company, as a successor of the Transferor Company, without any act or deed to be done or executed by the Transferor Company and/ or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges and fulfil all obligations, in relation to or applicable to all such immovable properties. The mutation and/or substitution of the title to the immovable properties shall be made and duly recorded in the name of the Transferee Company by the appropriate governmental authorities and third parties pursuant to the sanction of the Scheme by the High Court and upon the Scheme becoming effective in accordance with the terms hereof without any further act or deed to be done or executed by the Transferor Company and/ or the Transferee Company. It is clarified that the Transferee Company shall be entitled to engage in such correspondence and make such representations as may be necessary for the purposes of the aforesaid mutation and/or substitution.
- 6.5. With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of the Transferor Company, as on or after the Appointed Date whether provided for or not in the books of accounts of the Transferor Company, and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or upto the day of the Appointed Date shall, pursuant to the orders of the High Court or such other Governmental

authority as may be applicable under provisions of the Act, without any further act or deed, be transferred or deemed to be transferred to and vested in the Transferee Company, so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company.

- 6.6. Without prejudice to the above provisions, upon the Scheme coming into effect and with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes. For the removal of doubt, it is clarified that upon the Scheme coming into effect and with effect from the Appointed Date, to the extent there are inter-corporate loans, deposits, obligation, balances or other outstanding as between the Transferor Company inter-se and/or the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be.
- 6.7. Upon the Scheme coming into effect and with effect from the Appointed Date, in respect of the debts, liabilities, duties and obligations of the Transferor Company, 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 debts, liabilities, duties and obligations have arisen (though the Transferee Company may, if it deems appropriate, give notice to the debtors that the debts stand transferred to and vested in the Transferee Company). It is further clarified that the Transferee Company shall honour all liabilities and obligations arising on account of all written commitment / open purchase orders issued by the Transferor Company.
- 6.8. The Transferee Company may at any time after the coming into effect of the Scheme and with effect from the Appointed Date, if so required under the provisions of any law for the time being in force or otherwise at its discretion, execute deeds of confirmation, in favour of secured creditors of the Transferor Company or in favour of any other party as directed by the Transferor Company with regard to any contract or arrangement to which the Transferor Company is a party or any other writings that may be necessary to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such confirmation in writing on behalf of the Transferor Company and to implement or carry out all such formalities or compliance referred to above on behalf of the Transferor Company.
- 6.9. All taxes (including but not limited to income tax, sales tax, excise duty, service tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business before the Appointed Date, on account of the Transferor Company and; in so far as it relates to tax payment whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the operations and/or the profits of the business after the Appointed Date shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.

- 6.10. All the profits or income, taxes (including advance tax, tax deducted at source and MAT Credit) or any costs, charges, expenditure accruing or arising to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purposes be treated and deemed to be and accrue from the Appointed Date as the profits or income, taxes (including tax losses, MAT Credit), costs, charges, expenditure or losses of the Transferee Company, as the case may be.
- 6.11. For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon coming into effect of this Scheme and with effect from the Appointed Date, in accordance with the provisions of relevant laws, consents, permissions, licenses, registrations, certificates, authorities (including for the operation of bank accounts), powers of attorneys given by, issued to or executed in favour of the Transferor Company, and the rights and benefits under the same shall, in so far as they relate to the Transferor Company and all quality certifications and approvals, patents and domain names, copyrights, brands, trade secrets, product registrations and other intellectual property and all other interests relating to the goods or services being dealt with by the Transferor Company, shall without any further act or deed be transferred to and vested in the Transferee Company under the same terms and conditions as were applicable to the Transferor Company immediately prior to the coming into effect of this Scheme. In so far as the various incentives, sales tax, deferral benefits, subsidies (including applications for subsidies), available tax credits (including MAT credit, if any), rehabilitation schemes, grants, special status and other benefits or privileges enjoyed, granted by any government body, local authority or by any other person, or availed of or to be availed of by the Transferor Company are concerned, the same shall, without any further act or deed, in so far as they relate to the Transferor Company, vest with and be available to the Transferee Company on the same terms and conditions as were applicable immediately prior to the coming into effect of this Scheme.
- 6.12. On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Company and realise all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.
- 6.13. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that with effect from the Effective Date and till such times the name of the bank accounts of the Transferor Company would be replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in the name of the Transferor Company in so far as may be necessary. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. The Transferee Company shall be allowed to maintain banks accounts in the name of

Transferor Company by the Transferee Company for such time as may be determined to be necessary by the Transferee Company for presentation and deposition of cheques and pay orders that have been issued in the name of the Transferor Company. It is hereby expressly clarified that any legal proceedings by or against the Transferor Company in relation to cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company shall be instituted, or as the case may be, continued, by or against, the Transferee Company after the coming into effect of the Scheme.

7. TREATMENT OF THE UNDERTAKING AFTER THE AMALGAMATION

- 7.1. Upon the Scheme coming into effect and with effect from the Appointed Date and subject to the provisions of this Scheme and without any further act of the parties, the Undertaking shall be deemed to be and continue as a separate division of the Transferee Company to the extent required for operational purposes, subject to the provisions of the Act and the supervision of the Board of the Transferee Company.
- 7.2. Subject to compliance with all the applicable laws and regulations, the new division formed as per Clause 7.1 above relating to the Undertaking shall be known as Chemical Terminal Trombay Division.
- 7.3. The Chemical Terminal Trombay Division shall have and maintain separate profit and loss account and have a separate management structure except for frontline business resources all support resources will be integrated resulting in synergies.

8. APPLICABILITY OF THE PROVISIONS OF THE INCOME TAX ACT, 1961 AND OTHER TAX LAWS AS MAYBE APPLICABLE

- 8.1. This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) and other relevant provisions of the Income tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section and other related provisions at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section and other related provisions of the Income tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) and other relevant provisions of the Income tax Act, 1961.
- 8.2. Upon the Scheme becoming effective, the Transferor Company and the Transferee Company are expressly permitted to revise, its financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act, 1961, central sales tax, applicable state value added tax, service tax laws, excise duty laws and other tax laws, and to claim refunds and/or credit for taxes paid (including minimum alternate tax, tax deducted at source, wealth tax, etc) and for matters incidental thereto, if required to give effect to the provisions of the Scheme.

- 8.3. All tax assessment proceedings/ appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date by the Transferor Company. In the event of the Transferor Company failing to continue or enforce any proceeding/appeal, the same may be continued or enforced by the Transferee Company, at the cost of the Transferee Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.
- 8.4. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- 8.5. Any tax liabilities under the Income tax Act, 1961, service tax laws, excise duty laws, central sales tax, applicable state value added tax laws or other applicable laws/ regulations dealing with taxes/ duties/ levies of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.
- 8.6. Any refund, under the Income tax Act, 1961, service tax laws, excise duty laws, central sales tax, applicable state value added tax laws or other applicable laws/ regulations dealing with taxes/ duties/ levies due to Transferor Company consequent to the assessment made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company upon this Scheme becoming effective.
- 8.7. The tax payments (including, without limitation income tax, service tax, excise duty, central sales tax, applicable state value added tax, etc.) whether by way of tax deducted at source, advance tax, all earnest monies, security deposits provisional payments, payment under protest, or otherwise howsoever, by the Transferor Company after the Appointed Date, shall be deemed to be paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 8.8. Further, any tax deducted at source by Transferor Company/ Transferee Company on transactions with the Transferee Company/ Transferor Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 8.9. Obligation for deduction of tax at source on any payment made by or to be made by the Transferor Company shall be made or deemed to have been made and duly complied with by the Transferee Company.
- 8.10. Without prejudice to the generality of the above, all benefits, entitlements, incentives, losses, credits (including, without limitation income tax, minimum alternate tax, tax deducted at source, wealth tax, service tax, excise duty, central sales tax, applicable state value added tax, CENVAT, registrations, etc.) to which the Transferor Company is entitled to in terms of applicable laws, shall be

available to and vest in the Transferee Company, upon this Scheme coming into effect.

9. LEGAL PROCEEDINGS

If any suits, actions and proceedings of whatsoever nature (hereinafter referred to as the "Proceedings") by or against the Transferor Company are pending on the Effective Date, the same shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme, but the Proceedings may be continued and enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as the same would or might have continued and enforced by or against the Transferor Company, in the absence of the Scheme.

10. CONTRACTS, DEEDS, BONDS, APPROVALS AND OTHER INSTRUMENTS

10.1. For avoidance of doubt and without prejudice to the generality of Clause 6 above, it is clarified that upon the coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme and without any further act of the parties, all memoranda of understanding, contracts, deeds, bonds, agreements, arrangements, incentives, engagements registrations schemes, assurances, licences, insurance policies, guarantees, and other instruments (including all tenancies, leases, and other assurances in favour of the Transferor Company or powers or authorities granted by or to it) of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect against or in favour of the Transferee Company as the case may be, under the same terms and conditions, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto.

10.2. It is hereby clarified that by virtue of the provisions of the Scheme and pursuant to the order of the High Court sanctioning the Scheme, upon the Scheme coming into effect, all rights, services, obligations, liabilities, responsibilities undertaken by or in favour of the Transferor Company under any contractual arrangements shall automatically stand transferred to and vested in and/ or shall be deemed to have been transferred to and vested in the Transferee Company and all benefits to which the Transferor Company is entitled to shall be available to and vested in and/ or shall be deemed to have been available to and vested in the Transferee Company, as a successor-in-interest and the Transferee Company shall be entitled to deal with the same in place and stead of the Transferor Company, as if the same were originally performed or conferred upon or given or issued to or executed in favour of the Transferee Company, and the rights and benefits under the same will be available to the Transferee Company, without any further act or deed. The Transferee Company shall discharge its obligation in respect of the services to be performed/ provided or in respect of payment of service charges under any contractual arrangements instead of the Transferor Company.

10.3. Without prejudice to the above, the Transferee Company shall, if so desirable or required or become necessary, upon the coming into effect of this Scheme and

with effect from the Appointed Date, enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme and to the extent that the Transferor Company are required prior to the Effective Date to join in such deeds, writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company, as the case may be. Further, the Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

11. SAVING OF CONCLUDED TRANSACTIONS

The transfer of the assets and liabilities of the Transferor Company under Clause 6 above, the continuance of Proceedings under Clause 9 above and the effectiveness of contracts, deeds, bonds, approvals and other instruments under Clause 10 above, shall not affect any transaction or Proceedings already concluded by the Transferor Company on or before the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto, as if done and executed on its behalf.

12. EMPLOYEES

- 12.1. All the employees of the Transferor Company in service on the Effective Date shall, on and from the Effective Date, become the employees of the Transferee Company. All employees of the Transferor Company in service on the Effective Date to whom provisions of Industrial Disputes Act, 1947 apply, shall, on and from the Effective Date, become the employees of the Transferee Company on the terms and conditions not less favourable than those on which they were engaged on the Effective Date.
- 12.2. On and from the Effective Date, the services of the employees of the Transferor Company will be treated as having been continuous, without any break, discontinuance or interruption, for the purpose of membership and the application of the rules or bye-laws of the said Funds (as defined herein below).
- 12.3. Upon the Scheme coming into effect and with effect from the Appointed Date, the accounts of the employees of the Transferor Company relating to provident fund created or existing for the benefit of the employees of the Transferor Company shall be identified, determined and transferred to the existing provident fund of the Transferee Company, and the employees shall be deemed to have become members of such provident fund of the Transferee Company. Subject to applicable laws and regulations, the obligation to make contributions to the provident fund shall be transferred to the Transferee Company from the Effective Date in accordance with the terms provided in the trust deed, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to the provident fund shall become those of the Transferee Company and all the rights, duties and benefits of the employees employed in the Transferor Company under such provident fund shall be protected, subject to the provisions of law for the time being in force.

- 12.4. Without prejudice to Clause 12.3 above, with regard to any other special funds or schemes created or existing for the benefit of such employees of the Transferor Company (hereinafter referred to as the "said Funds"), upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the administration or operation of the said Funds in relation to the obligations to make contributions to the said Funds in accordance with the provisions thereof in the respective trust deeds or other documents. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to the said Funds shall become those of the Transferee Company. In the event that the trustees are constituted as holders of any securities, trust funds or trust monies, in relation to the said Funds, the said Funds shall be transferred by such trustees of the trusts of the Transferor Company, to separate trusts and the trustees of the Transferee Company if set up for the same purpose and object and shall be deemed to be a transfer of trust property from one set of trustees to another set of trustees in accordance with the provisions of the relevant labour laws, Indian Trusts Act, 1882, the Income Tax Act, 1961 and relevant stamp legislations, as applicable. In such a case, appropriate deeds of trusts and/or documents for transfer of trust properties shall be executed upon the sanction of the Scheme in accordance with the terms hereof by the trustees of such trusts in favour of the trusts of the Transferee Company so as to continue the benefits of the employees. For this purpose, the trusts created by the Transferor Company shall be transferred and/or continued by the Transferee Company, if permitted by law, failing which the Transferee Company shall establish similar trusts ensuring that there is continuity in this regard. The trustees, including the respective Board of Directors of the Transferor Company and the Transferee Company, shall be entitled to adopt such course of action in this regard, as may be advised, provided however that there shall be no discontinuation or breakage in the service of the employees of the Transferor Company. Notwithstanding the above the Board of Directors of the Transferee Company if it deems fit and subject to applicable law shall be entitled to retain separate trusts / schemes within the Transferee Company for each of the erstwhile trusts / schemes of the Transferor Company.

13. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

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

- 13.1. The Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the assets of the Transferor Company for and on account of, and in trust for, the Transferee Company. The Transferor Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.
- 13.2. The Transferor Company shall carry on its business and activities with reasonable diligence, business prudence and shall not (without the prior written consent of the Transferee Company) alienate, charge, mortgage, encumber or otherwise deal

with or dispose of the undertaking or any part thereof (except in the ordinary course of business).

13.3. All the profits or income, taxes (including advance tax and tax deducted at source and fringe benefit tax) or any costs, charges, expenditure accruing to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purpose be treated and be deemed to be and accrue as the profits, taxes, incomes, costs, charges, expenditure or losses of the Transferee Company, as the case may be.

13.4. On and after the date of approving the Scheme by the directors of the Transferor Company and the Transferee Company and until the Effective Date, the Transferor Company shall not without the prior written approval of the Board of Directors of the Transferee Company:

13.4.1. issue or allot any further securities, either by way of rights or bonus or otherwise; or

13.4.2. utilize, subject to Clause 14.1 below, the profits, if any, for any purpose including of declaring or paying any dividend.

14. DIVIDENDS

14.1. The Transferor Company and the Transferee 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. The dividend, if any, shall be declared by the Transferor Company only with the prior written consent of the Board of Directors of the Transferee Company, as mentioned in Clause 13.4.2 above.

14.2. Subject to the provisions of the Scheme, the profits of the Transferor Company, for the period beginning from the Appointed Date, including the accumulated profits as on the Appointed Date, shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit.

14.3. 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 the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the Board of Directors of the Transferee Company, subject to such approval of the shareholders, as may be required.

15. AMENDMENT TO MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE TRANSFEE COMPANY

15.1. Upon coming into effect of the Scheme, the following Clause No. 36 shall be inserted in the Main Objects Clause of the Memorandum of Association of the Transferee Company:

- "36. i. *To carry on the business of providing facilities for storage of organic and inorganic chemicals, including petrochemicals, and to provide conveniences of all kinds in the way of hire or lease, and to give on rent or leave and licence storage tanks for chemicals, oil, alcohol, molasses and such other items as the Company may deem fit.*
- ii. *To receive chemicals, including petro-chemicals, and all other products into storage tanks from vessels, tank-cars and/or tank-trucks, to re-deliver the products from storage to vessels, tank-cars and/or tank-trucks, and to provide facilities for packing the Company's products and/or the products of others into drums.*
- iii. *To Undertake to load and unload ships, vessels and tankers at the docks and/or jetties for the account of any person firm or company whose products the Company would have undertaken to store in the Company's storage tanks and/or warehouses and to charge for such services and also to levy storage charges.*
- iv. *To construct, lay and provide pipelines for the use of the Company's products and/or the products of others and to give on hire, lease or by any other means such facilities for the use of others as it may be necessary.*
- v. *In connection with the business of the Company to undertake and carry on all or any trades and business of warehousing, refrigerated storage of chemicals, packers, re-packers, and to pack into drums all such products and generally to carry on the said business either as principals or agents or otherwise.*
- vi. *To buy and sell all kinds of chemicals, including petrochemicals, oils and such other products and to act as forwarders and transporters of such products, whether by road, rail, air or sea and for this purpose to acquire, hire or otherwise to adopt any means of transport from time to time as it may be necessary.*
- vii. *To hire or otherwise acquire and to work, and manage tank-trucks of any class carrying chemicals, including petro-chemicals, oils, molasses, tallow, lard and all such other products and to enter into contract for the carriage of above products either in the Company's own or hired tank-trucks of others.*
- viii. *To manufacture, purchase, put up and use all the apparatus now known or that may hereafter be invented, connected with the generation, accumulation, storage, distribution, supply and employment of electricity produced by harnessing renewable energy resource including electric generators, storage batteries, cables, wires or appliances for connection the apparatus at a distance with other apparatus and including the setting up of stations, sub-stations and to channelise all electrical power so generated into the State or National Grid or to set up a distribution net work and system for the purpose of making available the electrical energy to members of the public.*
- ix. *To acquire, construct, erect, lay down, maintain, enlarge, alter, work and use all*

lands, buildings, easements, transmissions, towers, electric generators, storage batteries, power line net work machinery, plant, stock, pipes, motors, fittings, meters, apparatus, materials in connection with the production, use, storage, regulation, measurements, supply and distribution of the electrical energy produced by the Company by harnessing renewable energy resources.

- x. *To buy, sell, import, export, manufacture, manipulate, treat, prepare and deal in all building materials and requisites including Fly Ash of all kinds.*
- xi. *To carry on the business of advisers, consultants and service organization or bureau on matters and directly/indirectly dealing in the matters pertaining to Power/Energy Plant related services including but not restricted to Coal Management Services, Ash Management Services, Jetty Management Services, Fuel Operation and Management Services including oil, natural gas and LNG.*
- xii. *To carry on the business of a water works company in all its branches and do all other acts and things necessary or convenient for obtaining, storing, selling, delivering, measuring, distributing and dealing in water including desalination plants.*

15.2. It shall be deemed that the members of the Transferee Company have also resolved and accorded all relevant consents under Section 13 of the Act. It is clarified that there will be no need to pass a separate shareholders' resolution as required under Section 13 of the Act for the amendments of the Memorandum of Association of the Transferee Company as above.

15.3. In order to carry on the activities currently being carried on by the Transferor Companies, upon the approval of the Scheme by the respective members of the Transferor Companies and the members of the Transferee Company pursuant to Section 391 of the Act, it shall be deemed that the members of the Transferee Company have also resolved and accorded all relevant consents under Section 11 of the Act or any other provisions of the Act for the commencement of any business or activities currently being carried on by Transferor Companies in relation to any of the objects contained in the Memorandum of Association of the Transferee Company, to the extent the same may be considered applicable. In particular, the Transferee Company would be allowed to commence the new business added as above. It is clarified that there will be no need to separately comply with the actions set out in Section 11 of the Act.

16. NO ISSUE OF SHARES BY THE TRANSFEE COMPANY

16.1. For the purposes of this Scheme, it is hereby clarified that the Transferor Company is a wholly owned subsidiary of the Transferee Company and therefore

there would be no issue of shares by the Transferee Company to the Shareholders of the Transferor Company in this regard.

- 16.2. Upon the Scheme becoming effective, in consideration of the transfer and vesting of the Undertaking of the Transferor Company in the Transferee Company in terms of this Scheme, the entire paid up share capital in the Transferor Company fully held by the Transferee Company and/or its nominee(s) on the Effective Date shall be extinguished and shall stand extinguished and all such equity shares of the Transferor Company held by the Transferee Company either in its own name or in the name of its nominee(s) shall be cancelled and shall be deemed to be cancelled on the Effective Date without any further application, act or deed.
- 16.3. The Transferee Company shall not receive any payment or other consideration pursuant to the cancellation of the shares of the Transferor Company.

17. DISSOLUTION OF THE TRANSFEROR COMPANY

- 17.1. On the Scheme becoming effective, the Transferor Company shall be dissolved without being wound up without any further act by the parties.
- 17.2. On and with effect from the Effective Date, the name of the Transferor Company shall be struck off from the records of the relevant Registrar of Companies. The Transferee Company shall make necessary filings in this regard.

18. ACCOUNTING TREATMENT

- 18.1. All assets & liabilities, of the Transferor Company shall be recorded in the books of accounts of the Transferee Company at their existing carrying amounts as at the close of business on the day immediately preceding the Appointed Date.
- 18.2. The excess or deficit of the value of net assets over liabilities of the Transferor Company over the investment value of Transferor Company in the books of the Transferee Company shall be adjusted, in case of excess to be shown as Capital Reserve of the Transferee Company and in case of deficit to be adjusted against General Reserves of the Transferee Company.
- 18.3. In case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted in accordance with Accounting Standard (AS) 5 - Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

19. VALIDITY OF EXISTING RESOLUTIONS, ETC

Upon the coming into effect of the Scheme and with effect from the Appointed Date, the resolutions of the Transferor Company as are considered necessary by the Board of Directors of Transferee Company which are validly subsisting be considered as resolutions of Transferee Company. If any such resolutions have any monetary limits approved subject to the provisions of the Act or of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of Transferee Company, shall be added to the limits, if any, under the like resolutions passed by Transferee Company.

20. APPLICATIONS TO THE HIGH COURT

The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make applications to the High Court where the respective Registered Offices of the Transferor Company and the Transferee Company are situated, for sanctioning this Scheme under Sections 391 to 394 of the Act for an order or orders thereof for carrying this Scheme into effect and for dissolution of the Transferor Company without winding up.

21. MODIFICATIONS/AMENDMENTS TO THE SCHEME

21.1. The Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, may consent to any modifications/ amendments to the Scheme or to any conditions or limitations that the High Court or any other Governmental Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. The Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, shall be authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

21.2. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate(s) of the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

22. SCHEME CONDITIONAL ON APPROVALS/ SANCTIONS

22.1. The Scheme is conditional upon and subject to:

22.1.1. Approval of and agreement to the Scheme by the requisite majority of each class of the respective members and creditors of the Transferor Company, as well as the Transferee Company, in terms with the applicable provisions of the Act.

22.1.2. Approval of and agreement to the Scheme by the requisite majority of each class of the respective members and creditors of the Transferee Company, in terms with the applicable provisions of the guidelines issued by SEBI, as amended and updated from time to time; and, as may be considered necessary to give effect to the Scheme. It is hereby clarified that the Transferee Company will provide for voting by public shareholders through postal ballot and e-voting and that the Scheme shall be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it.

22.1.3. Sanctions and orders under the provisions of Sections 391 and 394 and other applicable provisions of the Act being obtained by the Transferor Company and the Transferee Company from the High Court.

22.1.4. The total agricultural land held by the Transferee Company falling within the applicable limits/ceiling imposed by the applicable law upon (i) conversion of the agricultural land held by the Transferor Company to non- agricultural land that shall stand transferred to the Transferee Company pursuant to the Scheme or (ii) conversion of the agricultural land held by the Transferee Company itself to non-agricultural land; as may be applicable, in accordance with applicable laws.

22.1.5. All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

22.2. This Scheme, although to come into operation from the Appointed Date, shall not become effective until the later of the following dates, namely:

22.2.1. That on which the last of the aforesaid consents, approvals, permissions, resolutions and orders as mentioned in Clause 22.1 shall be obtained or passed; or

22.2.2. That on which all necessary certified copies of orders under Sections 391 and 394 and other applicable provisions of the Act shall be duly filed with the appropriate Registrar of Companies.

The last of such dates shall be the "Effective Date" for the purpose of this Scheme.

23. EFFECT OF NON-RECEIPT OF APPROVALS AND MATTERS RELATING TO REVOCATION AND WITHDRAWAL OF THE SCHEME

23.1. In the event of any of the said approvals or conditions referred to in Clause 22 above not being obtained and/ or complied with and/or satisfied and/or the Scheme not being sanctioned by the High Court and/or order or orders not being passed as aforesaid by March 31, 2017 or such other date as may be mutually agreed upon by the respective Board of Directors of the Transferor Company and the Transferee Company (who are hereby empowered and authorized to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s)), this Scheme shall stand revoked, cancelled and be of no effect. The Transferor Company and the Transferee Company shall, in such event, *inter se* bear and pay their respective costs, charges, expenses in connection with the Scheme.

- 23.2. In the event of revocation under Sub-Clause 23.1, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* to the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with the applicable law and in such case, each company shall bear its own costs unless otherwise mutually agreed.
- 23.3. The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to withdraw this Scheme prior to the Effective Date.
- 23.4. The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme with effect from the Appointed Date could have adverse implications on the combined entity post-amalgamation.
- 23.5. If any part of this Scheme hereof is invalid, ruled illegal by any High Court of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Transferor Company and the Transferee Company that such part shall be severable from the remainder of the Scheme. Further, if the deletion of such part of this Scheme may cause this Scheme to become materially adverse to the Transferor Company and /or the Transferee Company, then in such case the Transferor Company and /or the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Transferor Company and the Transferee Company the benefits and obligations of the Scheme, including but not limited to such part.

24. COSTS

All past, present and future costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme or implementation thereof and matters incidental thereto, shall be respectively borne by the Transferor Company and the Transferee Company, till the Effective Date.