

SCHEME OF AMALGAMATION
OF
MOTILAL OSWAL SECURITIES LIMITED
WITH
MOTILAL OSWAL FINANCIAL SERVICES LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS

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

(A) PREAMBLE

This scheme of amalgamation (“**Scheme**” as defined hereinafter) provides for the amalgamation of Motilal Oswal Securities Limited (Corporate Identification Number: U65990MH1994PLC079418) with Motilal Oswal Financial Services Limited (Corporate Identification Number: L67190MH2005PLC153397) pursuant to provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013. This Scheme also provides for various other matters consequential thereto or otherwise integrally connected therewith.

(B) DESCRIPTION OF COMPANIES

1. Motilal Oswal Securities Limited (herein after referred to as “**Transferor Company**”) is a wholly owned subsidiary of the Transferee Company (as defined herein under). The Transferor Company acts as a stock broker and executes stock trades on behalf of its clients which include retail customers (including high net worth individuals), mutual funds, foreign institutional investors, financial institutions and corporate clients. Besides stock broking, it also offers a bouquet of financial products and services to its client base. It is also one of the leading distributors of portfolio management schemes, mutual funds, private equity and systematic investment plans. Further, the Transferor Company is one of the pioneers in the financial industry to launch mobile based application, target based investment plan and E-KYC service. The

Transferor Company is a member of BSE Limited (“BSE”), National Stock Exchange of India Limited (“NSE”) and Metropolitan Stock Exchange of India Limited (“MSE”). The Transferor Company is registered with the Securities and Exchange Board of India (SEBI) as a broker, depository participant, research analyst and investment advisor and with various other bodies/ agencies like AMFI, CERSAI, KRA agencies (CVL, Dotex, NDML, CAMS and Karvy) etc. The non-convertible debentures of the Transferor Company are listed on the wholesale debt segment of BSE.

2. Motilal Oswal Financial Services Limited (herein after referred to as “**Transferee Company**”) is a public limited company listed on BSE and NSE. The Transferee Company is a Non-Deposit taking Systemically Important Non-Banking Finance Company registered with the Reserve Bank of India (“RBI”) under section 45-IA of the Reserve Bank of India Act, 1934 and engaged in lending and investment related activities. The Transferee Company received the certificate of registration from the RBI on 5th April 2006, enabling the Company to carry on business as a Non-Banking Finance Company. The Transferee Company, along with its subsidiaries, offer a diversified range of financial products and services such as loan against shares, investment activities, private wealth management, broking and distribution, asset management business, housing finance, institutional equities, private equity and investment banking.

(c) RATIONALE FOR THE SCHEME

The Transferor Company is the flagship company of the Motilal Oswal Group (“Group”) and a wholly owned subsidiary of the Transferee Company. The Group is virtually a household name synonymous with broking services. These services are provided by the Group through the Transferor Company, which in turn is the biggest revenue driver and the largest contributor to the profit of the Group as on 31st March, 2017.

The Scheme provides for the amalgamation of the Transferor Company with the Transferee Company and will result in the following benefits:

- Consolidation of operations within the Transferee Company leading to greater synergies;
- Stronger balance sheet and net worth to meet capital needs of subsidiaries for future growth and expansion;

- Free flow of funds and ease limits of investments/ loans by the Transferee Company for expansion of business activities;
- Board of Transferee Company to have greater oversight over the consolidated business operations of subsidiaries;
- Merger and consolidation of fund based investment activities of the Group into one entity;
- Exposure of shareholders of the Transferee Company to the larger business activities of the flagship broking and related business activities of the Group; and
- Cost savings through legal entity rationalisation and elimination of intra group transactions.

Thus, the amalgamation is in the interest of the shareholders, creditors and all other stakeholders of the companies and is not prejudicial to the interests of the concerned shareholders, creditors or the public at large.

(D) OPERATION OF THE SCHEME

The amalgamation of the Transferor Company with the Transferee Company will combine their business activities and operations into a single company with effect from the Appointed Date (defined herein after) and shall be in compliance with the provisions of the Income-tax Act, 1961, including Section 2(1B) or any amendments thereto.

The shares of the Transferor Company shall be cancelled and no shares shall be issued by the Transferee Company pursuant to the amalgamation.

(E) PARTS OF THE SCHEME:

This Scheme is divided into the following parts:

PART I deals with the definitions, interpretations and share capital of the Transferor Company and the Transferee Company;

PART II deals with the amalgamation of the Transferor Company with the Transferee Company and other related matters and

PART III deals with general terms and conditions applicable to this Scheme and the dissolution of the Transferor Company.

PART I

DEFINITIONS, INTERPRETATIONS AND SHARE CAPITAL

1. DEFINITIONS

- 1.1. In this Scheme, unless inconsistent with the subject or context, in addition to the terms defined elsewhere in this Scheme, the following capitalised terms shall have the meaning set out below:

“Act” or “the Act” means the Companies Act, 2013 (including any statutory modifications(s) or re-enactment(s) thereof) and rules and regulations made thereunder, for the time being in force, and which may relate or are applicable to the arrangement;

“Appointed Date” means 1st April, 2017 or such other date as may be agreed by the Boards of the Transferor Company and the Transferee Company;

“Applicable Law” means any applicable central, provincial, local or other law including all applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Parties; (b) Permits; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties and shall include, without limitation, the listing agreements executed with any of the Stock Exchanges by the Parties;

“Appropriate Authority” means:

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

legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi-governmental authority including (without limitation) the Competition Commission of India, SEBI (as defined hereinafter), self-regulatory organisation, the Tribunal (as defined hereinafter); and

(d) any Stock Exchange.

“Board” means the Board of Directors of the Transferor Company or the Transferee Company, as the context may require, and shall include a duly constituted committee thereof;

“Effective Date” means the last of the dates on which the conditions specified in Clause 21 of this Scheme are complied with or are waived by the Board of both the Transferor Company and the Transferee Company. References in this scheme to the date of **“coming into effect of this Scheme”** or **“upon the Scheme being effective”** shall mean the Effective Date;

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

“Employees” means all the employees of Transferor Company as on the Effective Date;

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

“Parties” shall mean collectively the Transferor Company and the Transferee Company and **“Party”** shall mean each of them, individually;

“Permits” means all consents, licences, permits, permissions, authorisations, rights, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, whether governmental, statutory, regulatory under Applicable Law and includes approvals of Stock Exchanges, SEBI, depositories, Association of

Mutual Funds in India (“AMFI”), Insurance Regulatory and Development Authority and such other authority or body for carrying out activities of stock broker, trading member, portfolio manager, depository participant, mutual fund distributor etc.;

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

“**RoC**” means the Registrar of Companies, Mumbai having jurisdiction over the Transferor Company and the Transferee Company;

“**Scheme**” or “**the Scheme**” or “**this Scheme**” means this scheme of amalgamation in its present form or this Scheme with such modification(s), if any made, as per Clause 20 of the Scheme from time to time, and wherever required with the appropriate approvals and sanction of the Tribunal and Appropriate Authority, as may be required under the Act, and/or under Applicable Law;

“**Stock Exchanges**” means BSE, NSE and MSE;

“**Taxation**” or “**Tax**” or “**Taxes**” means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies and whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, advance tax, goods and services tax, input tax credit, minimum alternate tax or otherwise or attributable directly or primarily to the Transferor Company or the Transferee Company or any other Person and all penalties, charges, costs and interest relating thereto;

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

“**Transferee Company**” means Motilal Oswal Financial Services Limited, a company incorporated under the provisions of the Companies Act, 1956 having Corporate Identification Number: L67190MH2005PLC153397 and its registered office at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi,

Mumbai-400025;

“Transferor Company” means Motilal Oswal Securities Limited, a company incorporated under the provisions of the Companies Act, 1956 having Corporate Identification Number: U65990MH1994PLC079418, and its registered office at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025;

“Tribunal” means the Mumbai Bench of the National Company Law Tribunal having jurisdiction over the Transferor Company and the Transferee Company.

All terms and expressions which are used in this Scheme but not defined herein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Income-tax Act, 1961, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 (as the case may be) or other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory amendment, modification or re-enactment thereof, from time to time.

1.2. **Interpretation**

In this Scheme, unless the context otherwise requires:

- 1.2.1. words denoting singular shall include plural and vice versa;
- 1.2.2. headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;
- 1.2.3. references to the word “include” or “including” shall be construed without limitation;
- 1.2.4. a reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;
- 1.2.5. unless otherwise defined, the reference to the word “days” shall mean calendar days;
- 1.2.6. references to dates and times shall be construed to be references to Indian dates and times;
- 1.2.7. reference to a document includes an amendment or supplement to, or

replacement or novation of, that document;

1.2.8. word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them; and

1.2.9. references to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives' body (whether or not having separate legal personality).

2. SHARE CAPITAL

2.1. The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on 30th September, 2017 is as under:

Share Capital	INR
Authorised Share Capital	
55,00,000 equity shares of INR 10 each	5,50,00,000
65,00,000 preference shares of INR 10 each	6,50,00,000
Total	12,00,00,000
Issued, Subscribed and Paid-up Share Capital	
13,18,830 equity shares of INR 10 each	1,31,88,300
Total	1,31,88,300

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Transferor Company till the date of approval of the Scheme by the Board of the Transferor Company.

The Transferee Company has outstanding employee stock options under its existing stock option schemes, the exercise of which may result in an increase in the issued and paid-up share capital of the Transferee Company.

The entire share capital of the Transferor Company is held by the Transferee Company and its nominees.

- 2.2. The authorised, issued, subscribed and paid-up share capital of the Transferee Company as on 30th September, 2017 is as under:

Share Capital	INR
Authorised Share Capital	
87,00,00,000 equity shares of INR 1 each	87,00,00,000
50,00,00,000 preference shares of INR 100 each	50,00,00,000
Total	137,00,00,000
Issued, Subscribed and Paid-up Share Capital	
14,47,00,783 equity shares of INR 1 each	14,47,00,783
Total	14,47,00,783

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Transferee Company till the date of approval of the Scheme by the Board of the Transferee Company.

The shares of the Transferee Company are listed on BSE and NSE.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme as set out herein in its present form or with any modification(s), as may be approved or imposed or directed by the Tribunal, or made as per Clause 20 of the Scheme, shall become effective from the Appointed Date, but shall be operative from the Effective Date.

PART II

AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY AND OTHER RELATED MATTERS

4 AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF THE TRANSFEROR COMPANY

- 4.1 With effect from the opening of business hours of Appointed Date, and subject to the provisions of this Scheme and pursuant to Section 232 of the Act, the Transferor Company shall stand amalgamated with the Transferee Company as a going concern

and all assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc. of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date, the assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc. of the Transferee Company by virtue of, and in the manner provided in this Scheme.

4.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, with effect from the Appointed Date:

4.2.1 with respect to the assets of the Transferor Company that are movable in nature or are otherwise capable of being transferred by manual delivery or by paying over or endorsement and/ or delivery, the same may be so transferred by the Transferor Company by operation of law without any further act or execution of an instrument with the intent of vesting such assets with the Transferee Company as on the Appointed Date;

4.2.2 subject to Clause 4.2.3 below, with respect to the assets of the Transferor Company, other than those referred to in Clause 4.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investment in shares of any body corporate, fixed deposits, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances, earnest moneys and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons (including deposits as trading member of the Stock Exchanges and clearing corporations), whether or not the same is held in the name of the Transferor Company, shall, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date by operation of law as transmission, as the case may be, in favour of Transferee Company. It is clarified that all client agreements and know your customer details, sub-broker/ authorised person agreement, agreements with Exchanges, agreement with banks / clearing member, vendor agreements and power of attorneys would get transferred to and vested in the

Transferee Company, with effect from the Appointed Date by operation of law as transmission, as the case may be, in favour of Transferee Company and shall have been deemed to have been entered into by the Transferee Company with such respective parties. With regard to the licenses of the properties, the Transferee Company will enter into novation agreements, if it is so required;

- 4.2.3 without prejudice to the aforesaid, all the immovable property (including but not limited to the land, buildings, offices, factories, sites, tenancy rights related thereto, and other immovable property, including accretions and appurtenances), whether or not included in the books of the Transferor Company, whether freehold or leasehold (including but not limited to any other document of title, rights, interest and easements in relation thereto, and any shares in cooperative housing societies associated with such immovable property) shall stand transferred to and be vested in the Transferee Company, as successor to the Transferor Company, without any act or deed to be done or executed by the Transferor Company, as the case may be and/ or the Transferee Company;
- 4.2.4 all debts, liabilities, duties and obligations (debentures, bonds, notes or other debt securities) of the Transferor Company shall, without any further act, instrument or deed be transferred to, and vested in, and/ or deemed to have been transferred to, and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and it shall not be necessary to obtain the consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause 4;
- 4.2.5 all the brands and trademarks of the Transferor Company including registered and unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights trademarks and all such other industrial and intellectual property rights of whatsoever nature. The Transferee Company shall take such actions as may be necessary and permissible to get the same transferred and/ or registered in the name of the Transferee Company.

- 4.2.6 The vesting of the entire undertaking of the Transferor Company, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of Transferor Company or part thereof on or over which they are subsisting on and no such Encumbrances shall extend over or apply to any other asset(s) of Transferee Company. Any reference in any security documents or arrangements (to which Transferor Company is a party) related to any assets of Transferor Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of Transferee Company. Similarly, Transferee Company shall not be required to create any additional security over assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of /to be availed of by it, and the Encumbrances in respect of such indebtedness of Transferee Company shall not extend or be deemed to extend or apply to the assets so vested;
- 4.2.7 On and from the Effective Date and till such time that the name of the bank accounts of the Transferor Company has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company in the name of the Transferor Company and for such time as may be determined to be necessary by the Transferee Company. 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; and
- 4.2.8 without prejudice to the foregoing provisions of Clause 4.3, the Transferor Company and the Transferee Company shall be entitled to apply to the Appropriate Authorities as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require and execute any and all instruments or documents and do all the acts and deeds as may be required, including filing of necessary particulars and/ or modification(s) of charge, with the concerned RoC or filing of necessary

applications, notices, intimations or letters with any authority or Person, to give effect to the above provisions.

- 4.3 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.

5 EMPLOYEES

- 5.1 On the Scheme becoming effective, all employees of the Transferor Company in service on the Effective Date, shall be deemed to have become employees of the Transferee Company, without any break in their service and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the Effective Date. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, validly entered into by the Transferor Company with any union/employee of the Transferor Company recognized by the Transferor Company. It is hereby clarified that the accumulated balances, if any, standing to the credit of the employees in the existing provident fund, gratuity fund and superannuation fund of which the employees of the Transferor Company are members shall be transferred to such provident fund, gratuity fund and superannuation fund of the Transferee Company or to be established and caused to be recognized by the appropriate authorities, by the Transferee Company.
- 5.2 Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the employees of the Transferor Company would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Company.
- 5.3 Upon transfer of the aforesaid funds to the respective funds of the Transferee Company, the existing trusts created for such funds by the Transferor Company shall

stand dissolved and no further act or deed shall be required to this effect. It is further clarified that the services of the employees of the Transferor Company will be treated as having been continuous, uninterrupted and taken into account for the purpose of the said fund or funds.

5.4 Without prejudice to the aforesaid, the Board of the Transferee Company, if it deems fit and subject to applicable laws, shall be entitled to retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company.

5.5 It is further clarified that the employees of the Transferor Company who are eligible for options under the employee stock option scheme(s) of the Transferee Company shall continue to be so eligible and their period of service in the Transferor Company shall also be considered for determining compliance with vesting or any other condition under the employee stock option scheme(s) of the Transferee Company.

6 LEGAL PROCEEDINGS

6.1 Any suit, petition, appeal or other proceeding of whatsoever nature and any orders of court, judicial or quasi-judicial tribunal or other governmental authorities enforceable by or against the Transferor Company including without limitation any restraining orders (including order under section 281B of the Income-tax Act, 1961) pending before any court, judicial or quasi-judicial tribunal or any other forum, relating to the Transferor Company, whether by or against the Transferor Company, pending as on the Effective Date, shall not abate or be discontinued or in any way prejudicially affected by reason of the amalgamation of the Transferor Company or of any order of or direction passed or issued in the amalgamation proceedings or anything contained in this Scheme, but by virtue of the order sanctioning the Scheme, such legal proceedings shall be continued and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, as if this Scheme had not been implemented.

6.2 After the Appointed Date and until the Effective Date, the Transferor Company shall defend all legal proceedings, other than in the ordinary course of business, with the advice and instructions of the Transferee Company.

6.3 The transfer and vesting of the assets and liabilities under the Scheme and the continuance of the proceedings by or against the Transferee Company shall not affect

any transaction or proceeding already completed by the Transferor Company between the Appointed Date and the Effective Date to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company as acts, deeds and things done and executed by and on behalf of the Transferee Company.

7 PERMITS

With effect from the Appointed Date, all the Permits held or availed of by, and all rights and benefits that have accrued to, the Transferor Company, pursuant to the provisions of Section 232 of the Act, 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, the Transferee Company so as to become as and from the Appointed Date, the Permits, estates, assets, rights, title, interests and authorities of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in Applicable Laws. Upon the Effective Date and until the Permits are transferred, vested, recorded, effected, and/ or perfected, in the record of the Appropriate Authority, in favour of the Transferee Company, the Transferee Company is authorized to carry on business in the name and style of the Transferor Company, and under the relevant license and/ or permit and/ or approval, as the case may be, and the Transferee Company shall keep a record and/ or account of such transactions.

8 CONTRACTS, DEEDS, ETC.

- 8.1 All contracts, deeds, bonds, agreements, indemnities, guarantees or other similar rights or entitlements whatsoever, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) for the purpose of carrying on the business of the Transferor Company, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before this Scheme coming into effect, shall by endorsement, delivery or recordal or by operation of law pursuant to the order of the Authority sanctioning the Scheme, and on this Scheme becoming effective be deemed to be contracts, deeds, bonds, Agreements, indemnities, guarantees or other similar rights or entitlements

whatsoever, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) of the Transferee Company. It is clarified that all conditions, stipulations, pre-requisites, terms laid down under any Governmental, statutory or regulatory bodies, fulfilled by the Transferor Company prior to the Effective Date, shall be deemed to have been fulfilled and complied with by the Transferee Company, post the Effectiveness of the Scheme. The Transferee Company shall be entitled to the benefit of all qualification criteria, track-record, experience, goodwill and all other rights, claims and powers of whatsoever nature and whosoever situate belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Company for all intents and purposes for its business. Such properties and rights described hereinabove shall stand vested in the Transferee Company and shall be deemed to be the property and become the property by operation of law as an integral part of the Transferee Company. Such contracts and properties described above shall continue to be in full force and continue as effective as hitherto in favour of or against the Transferee Company and shall be the legal and enforceable rights and interests of the Transferee Company, which can be enforced and acted upon as fully and effectually as if it were the Transferor Company. Upon this Scheme becoming effective, the rights, benefits, privileges, duties, liabilities, obligations and interest whatsoever, arising from or pertaining to contracts and properties, shall be deemed to have been entered into and stand assigned, vested and novated to the Transferee Company by operation of law and the Transferee Company shall be deemed to be the Transferor Company's substituted party or beneficiary or obligor thereto. It being always understood that the Transferee Company shall be the successor in the interest of the Transferor Company. In relation to the same, any procedural requirements required to be fulfilled solely by the Transferor Company (and not by any of its successors), shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Transferor Company.

- 8.2 The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee

Company shall be deemed to be authorised to execute any such writings on behalf and in the name of the Transferor Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.

- 8.3 Without prejudice to the provisions of this Scheme, 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, from the Appointed Date. Any taxes (including tax deducted at source or dividend distribution tax) paid in relation to such transaction shall, to the extent permissible by applicable law, be claimed as a refund.
- 8.4 The Transferee Company shall be entitled to the benefit of all insurance policies which have been issued in respect of the Transferor Company and the name of the Transferee Company shall be substituted as “Insured” in the policies as if the Transferee Company was initially a party thereto.
- 8.5 Any inter-se contracts between the Transferor Company on the one hand and the Transferee Company on the other hand shall stand cancelled and cease to operate upon the coming into effect of this Scheme.

9 TAXES/ DUTIES / CESS ETC.

Upon the Scheme becoming effective, by operation of law pursuant to the order of the Tribunal:

- 9.1 The unutilized credits relating to excise duties, sales tax, service tax, VAT, GST or any other Taxes by whatever name called as applicable which remain unutilised in the electronic ledger of the Transferor Company shall be transferred to and vest in the Transferee Company upon filing of requisite forms. Thereafter the unutilized credit so specified shall be credited to the electronic credit ledger of the Transferor Company and the input and capital goods shall be duly adjusted by the Transferee Company in its books of account.
- 9.2 Taxes of whatsoever nature including advance tax, self-assessment tax, regular assessment taxes, tax deducted at source, dividend distribution tax, minimum alternative tax, wealth tax, if any, paid by the Transferor Company shall be treated as paid by the Transferee Company and it shall be entitled to claim the credit, refund,

adjustment for the same as may be applicable notwithstanding that challans or records may be in the name of Transferor company. Minimum Alternate Tax credit available to the Transferor Company under the Income-tax Act, 1961, if any, shall vest in and be available to the Transferee Company.

- 9.3 All the tax payments/ compliances (including, but without limitation to 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.
- 9.4 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 or tax deposited by the Transferee Company and shall, in all proceedings, be dealt with accordingly in the hands of Transferee company (including but not limited to grant of such tax deposited as credit against total tax payable by transferee company while filing consolidated return of income on or after Appointed Date).
- 9.5 Upon scheme becoming effective, the Transferor Company (if required) and the Transferee Company are expressly permitted to revise their financial statements and its income tax returns along with prescribed forms, filings and annexures under the Income-tax Act, 1961 and other statutory returns, including but not limited to tax deducted / collected at source returns, service tax returns, excise tax returns, sales tax / VAT / GST returns, as may be applicable. The Transferee company has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax under Section 115JB of the Income-tax Act, 1961, i.e. credit of minimum alternate tax, credit of dividend distribution tax, credit of tax deducted at source, credit of foreign taxes paid/ withheld, etc., etc. if any, as may be required for the purposes of/ consequent to implementation of the Scheme. All compliances done by Transferor Company will be considered as compliances by Transferee Company.
- 9.6 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc. under Income-tax Act, 1961, service tax laws, excise duty laws, central sales tax, applicable state value added tax laws, any incentive scheme or policies or any other applicable laws/ regulations dealing with taxes/ duties/ levies due to Transferor

Company shall stand vested to the Transferee Company upon this Scheme becoming effective.

- 9.7 All tax assessment proceedings/ appeals of whatsoever nature by or against the Transferor Company pending and/or arising 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.
- 9.8 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.

10 CONSIDERATION

- 10.1 The Transferor Company is wholly owned by the Transferee Company and therefore there shall be no issue of shares by the Transferee Company as consideration for the amalgamation of the Transferor Company with the Transferee Company.
- 10.2 Upon the Scheme becoming effective, all equity shares of the Transferor Company held by the Transferee Company (held either directly or through its nominees) shall stand cancelled without any further application, act or deed.

11 ACCOUNTING TREATMENT

On the Scheme becoming effective, the Transferee Company shall account for the amalgamation in its books as under:

- 11.1 On the Scheme becoming effective, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of account with effect from the Appointed Date.
- 11.2 The amalgamation of the Transferor Company shall be accounted for in the books of account of the Transferee Company in accordance with "Pooling of Interests Method" of accounting as per the Accounting Standard (AS) 14, 'Accounting for Amalgamations' as prescribed under Section 133 of the Act read with Rule 7 of the

Companies (Accounts) Rules, 2014.

- 11.3 All assets and liabilities and reserves (whether capital or revenue or arising on revaluation), of the Transferor Company transferred to the Transferee Company under the Scheme shall be recorded in the books of account of the Transferee Company at their existing carrying amounts and in the same form as recorded in the books of account of the Transferor Company.
- 11.4 The balance in the reserves and surplus account of the Transferor Company shall be transferred to the corresponding reserves in the Transferee Company. In other words, identity of reserves of Transferor Company shall be preserved and they would appear in the financial statements of the Transferee Company in the same form in which they appeared in the financial statements of the Transferor Company.
- 11.5 The balance of the profit and loss account of the Transferor Company shall be aggregated with the balance of the profit and loss account of the Transferee Company.
- 11.6 The difference between the share capital of the Transferor Company and the value of investment in the Transferor Company by the Transferee Company shall be adjusted accordingly in the reserves of the Transferee Company.
- 11.7 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', in the books of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 11.8 All inter-corporate deposits, loans, investments and advances, outstanding balances or other obligations between the Transferor Company and the Transferee Company shall be cancelled and there shall be no further obligation/ outstanding in that behalf. For the removal of doubts, there would be no accrual of interest or other charges in respect of any such inter-company loans, advances or outstanding balances with effect from the Appointed Date.

12 CONDUCT OF BUSINESS FROM APPOINTED DATE UPTO THE EFFECTIVE DATE:

12.1 The Transferor Company with effect from the Appointed Date and up to and including the Effective Date:

12.1.1 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 the assets for and on account of, and in trust for the Transferee Company;

12.1.2 all profits or income arising or accruing to the Transferor Company and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, dividend distribution tax, securities transaction tax, taxes withheld/paid in a foreign country, etc.) or losses arising or incurred by The Transferor Company shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses, as the case may be, of the Transferee Company;

12.1.3 all loans raised and all liabilities and obligations incurred by the Transferor Company after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company in which the undertaking of the Transferor Company shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed be and be deemed to become the debts, liabilities, duties and obligations of the Transferee Company;

12.1.4 shall carry on its business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto, and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for themselves or on behalf of its respective affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any

of its properties/assets, except:

- (a) when the same is expressly provided in this Scheme; or
- (b) when the same is in the ordinary course of business as carried on, as on the date of filing of this Scheme in the Authority; or
- (c) when written consent of the Transferee Company has been obtained in this regard;

12.1.5 except by consent of the Transferee Company, or except pursuant to any prior commitment, obligation or arrangement existing or undertaken by the Transferor Company as on the date of sanction of this Scheme by the Board, or except as contemplated in this Scheme, pending sanction of this Scheme, the Transferor Company shall not make any change in its capital structure either by way of any increase (by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of re-organisation of capital of such company(ies); and

12.1.6 shall not alter or substantially expand its business, or undertake (i) any material decision in relation to its business and affairs and operations other than that in the ordinary course of business; (ii) any agreement or transaction (other than an agreement or transaction in the ordinary course of business); and (iii) any new business, or discontinue any existing business or change the capacity of facilities other than that in the ordinary course of business, except with the written concurrence of The Transferee Company;

12.2 From the Effective Date, the Transferee Company shall carry on and shall be entitled to carry on the business of the Transferor Company.

12.3 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authority and all other agencies, departments and authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company and to give effect to the Scheme.

12.4 The Transferee Company shall be entitled to credit the tax paid including credit of the tax deducted at source in relation to The Transferor Company, for the period between

the Appointed Date and the Effective Date.

- 12.5 For the purpose of giving effect to the amalgamation order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Authority, the Transferee Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Transferor Company, in accordance with the provisions of Sections 230 to 232 of the Act. The Transferee Company is and shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc, as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme.

13 DECLARATION OF DIVIDEND, BONUS, ETC.

- 13.1 The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date. Any other dividend by the Transferor Company shall be recommended / declared by obtaining the consent of the Transferee Company.
- 13.2 It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company or Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the Board of the Transferor Company or Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Company or Transferee Company.

14 SAVING OF CONCLUDED TRANSACTIONS

The vesting of the undertaking of the Transferor Company as above and the continuance of proceedings by or against the Transferor Company shall not affect any transaction or proceedings already concluded on or after the Appointed Date till the Effective Date in accordance with this Scheme, 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 done and executed on behalf of the Transferee Company.

15. COMBINATION OF AUTHORISED CAPITAL

- 15.1 Upon the Scheme becoming effective, the authorised share capital of the Transferor Company will get amalgamated with that of the Transferee Company without payment of any additional fees and duties as the said fees have already been paid. The authorised share capital of the Transferee Company will automatically stand increased to that effect by simply filing the requisite forms with the Registrar of Companies and no separate procedure or instrument or deed or payment of any stamp duty and registration fees shall be required to be followed under the Act.
- 15.2 The existing capital clause V(a) contained in the Memorandum of Association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 61 and 64 of the Act and Section 232 and other applicable provisions of the Act, as set out below:

Memorandum of Association

“V(a). The Authorised Share Capital of the Company is INR 1,49,00,00,000 (Rupees One Hundred Forty Nine Crore Only) divided into 92,50,00,000 (Ninety Two Crore Fifty Lakhs) equity shares of INR 1/- (Rupee One only) each aggregating to INR 92,50,00,000 (Rupees Ninety Two Crore Fifty Lakhs Only) and 56,50,000 (Fifty Six Lakhs Fifty Thousand) preference shares of INR 100/- (Rupees Hundred only) each aggregating to Rs. 56,50,00,000 (Rupees Fifty Six Crore Fifty Lakhs only).”

- 15.3 It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent / approval also to the alteration of the Memorandum of Association of the Transferee Company and the Transferee Company shall not be required to seek separate consent / approval of its shareholders for the alteration of the Memorandum Association of the Transferee Company as required under Sections 13, 61 and 64 of the Act and other applicable provisions of the Act.

16. CHANGE IN OBJECT CLAUSE OF TRANSFEREE COMPANY

- 16.1 With effect from the Appointed Date, the main object clause of the Memorandum of Association of the Transferee Company shall be deemed to be altered and amended, without any further act or deed, to include the objects as required for the purpose of carrying on the business activities of the Transferor Company pursuant to the

applicable provisions of the Act. Accordingly, the Memorandum of Association of the Transferee Company shall be altered and amended and necessary revisions in numbering of the clauses inserted shall be carried out.

16.1.1 The following clauses shall replace Clause 1-a and 1-b of the main object clause and Clause 1-c shall be added to the Memorandum of Association of the Transferee Company and the revised main object clause of the Transferee Company shall read as under:

“1-a) To become member of stock exchange(s) and to carry on the business as Stock broker, sub-broker, finance broker, sponsor broker, underwriters, sub-underwriters, merchant banker, lead manager, manager to issues and offers whether by way of public offer or otherwise, portfolio manager for investment, adviser, and to act as issue house, financial consultant, registrar to issue for securities, transfer agent, custodian and to sale, purchase or otherwise deal in all kinds of securities, in spot, futures and derivatives as permitted under the laws of India, for self or others and to act as sponsorer and trustee of mutual fund or growth fund and investment in various avenues like growth fund, income fund, risk fund and mutual fund and to solicit and procure the insurance business as corporate agent, to undertake Depository Participant activities, functions and responsibilities, to undertake activities relating to Margin Funding, Distribution of Third Party Securities and act as Research Analyst and Investment Advisors and to do such other activities which are incidental or ancillary to the same.

1-b) To become a member of commodity exchange/s and/or to carry on business as Commodity brokers, sub-brokers, Authorised Persons, market makers, traders, arbitrageurs, investors and/or hedgers in all kinds of commodities including agricultural produce, metals, gold, silver, platinum, precious stones, diamonds, petroleum, energy products and commodities in spot, futures and derivatives, commodity futures & options / options on commodity futures as permitted under the laws of India and to act as clearing and forwarding agent for providing support for statutory compliances related to deliveries of commodities and to provide services of every kind in connection with dealing and trading in commodities.

1-c) To make investment in shares and securities, movable or immovable properties and all other investment related activities.”

- 16.2 For the purposes of the amendment in the Memorandum of Association of the Transferee Company as provided in this Clause, the consent/ approval given by the members of the Transferee Company to this Scheme pursuant to Section 232 of the Act and any other applicable provisions of the Act shall be deemed to be sufficient and no further resolution of members of the Transferee Company as required under the applicable provisions of the Act shall be required to be passed for making such change/ amendment in the Memorandum of Association of the Transferee Company and filing of the certified copy of this Scheme as sanctioned by the Tribunal, in terms of Section 230-232 of the Act and any other applicable provisions of the Act, together with the order of the Tribunal and a printed copy of the Memorandum of Association for the purposes of the applicable provisions of the Act and the RoC shall register the same and make the necessary alterations in the Memorandum of Association of the Transferee Company accordingly and shall certify the registration thereof in accordance with the applicable provisions of the Act.
- 16.3 The Transferee Company shall file with the RoC, all requisite forms and complete the compliance and procedural requirements under the Act, if any.

PART III

GENERAL TERMS AND CONDITIONS

- 17. DISSOLUTION OF THE TRANSFEROR COMPANY AND VALIDITY OF RESOLUTIONS**
- 17.1 Upon the effectiveness of this Scheme, the Transferor Company shall be dissolved without winding up, and the Board and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand discharged. The name of the Transferor Company shall be struck off from the records of the Registrar of Companies, Mumbai and the Transferee Company shall make necessary filings in this regard.
- 17.2 Upon the coming into effect of this Scheme, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added

to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

18. FACILITATION PROVISIONS

- 18.1 Notwithstanding the limits under Section 186 of the Act, the Board of the Transferee Company shall be deemed to have been authorised to give loans to any person or any body corporate(s) and/ or to give any guarantee or provide security in connection with a loan to any person or any body corporate(s) and/ or acquire by way of subscription, purchase or otherwise, the securities of any body corporate(s) up to an aggregate amount not exceeding INR 90,00,00,00,000 (Rupees Nine Thousand Crore only).
- 18.2 Notwithstanding the limits under Section 180(1)(c) of the Act, the Board of the Transferee Company shall be deemed to have been authorised to take loans up to an aggregate amount not exceeding INR 75,00,00,00,000 (Rupees Seven Thousand Five Hundred Crore only). In order to facilitate the borrowing by the Company, notwithstanding the limits under Section 180(1)(a) of the Act, the Board of the Transferee Company is authorised to pledge/ hypothecate/ mortgage and/ or charge the assets, both movable and immovable up to an aggregate amount not exceeding INR 1,00,00,00,00,000 (Rupees Ten Thousand Crore only).
- 18.3 It is clarified that the approval of the Scheme by the shareholders of the Transferee Company under Sections 230 to 232 of the Act shall be deemed to have their approval under Section 186, 180(1)(c) and 180(1)(a) of the Act, as the case may be and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that no separate approval from the shareholders to that extent will be required to be sought by the Transferee Company.
- 18.4 Further, till such time and date the asset management companies make the requisite changes in their records, any and all distribution income accruing to the Transferor Company against its AMFI registration shall be deemed to have been accruing to the Transferee Company.

19. APPLICATION TO TRIBUNAL

The Transferor Company and the Transferee Company shall as may be required make

applications and/or petitions under Sections 230 to 232 of the Act and other applicable provisions of the Act to the Authority for sanction of this Scheme and all matters ancillary or incidental thereto.

20. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 20.1 On behalf of The Transferor Company and the Transferee Company, the Board of respective companies, may consent jointly but not individually, to any modifications or amendments of the Scheme and without prejudice to the generality of the foregoing, any modification to the Scheme involving withdrawal of any of the Parties to the Scheme at any time and for any reason whatsoever, or to any conditions or limitations that the Tribunal may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by both of them (i.e. the Boards of the Transferor Company and the Transferee Company) and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect.
- 20.2 For the purpose of giving effect to this Scheme or to any modification thereof the Boards of Directors of the Transferor Company and the Transferee Company may jointly but not individually, give and are jointly authorised to give such directions including directions for settling any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.
- 20.3 The Transferor Company and the Transferee Company (by their respective Boards or such other person or persons, as the respective Board may authorise) shall each be at liberty to withdraw this Scheme, in entirety, in case any condition or alteration imposed by the Tribunal or Appropriate Authority is unacceptable to them or as may otherwise be deemed expedient or necessary.
- 20.4 In the event of revocation/withdrawal of the Scheme, no rights and liabilities whatsoever shall accrue to or be incurred inter-se 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 as agreed between the Parties and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

21. CONDITIONALITY OF THE SCHEME

Unless otherwise decided by the Board of the Transferor Company and the Transferee Company, this Scheme shall be conditional upon and subject to:

- 21.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of the Transferor Company and the Transferee Company as may be directed by the Tribunal.
- 21.2 Approval by the shareholders of the Transferee Company by requisite majority for the transfer of existing lending business of the Transferee Company.
- 21.3 Approval by the Reserve Bank of India for the transfer of the existing lending business of the Transferee Company.
- 21.4 The sanction and order of the Tribunal, under Sections 230 to 232 of the Act being obtained by the Transferor Company and the Transferee Company;
- 21.5 Certified copy/(ies) of the Order of the Tribunal sanctioning the Scheme being filed with the RoC by the Transferor Company and the Transferee Company; and
- 21.6 The requisite consent, approval or permission of Appropriate Authority including SEBI, Stock Exchanges, depositories etc. or any other Person which by applicable law or contract, agreement may be necessary for the implementation of this Scheme.

22. EFFECT OF NON-RECEIPT OF APPROVALS

- 22.1 In the event of any of the said sanctions and approvals referred to in the preceding Clause 21 not being obtained and / or the Scheme not being sanctioned by the Authority within such period or periods as may be agreed upon between the Transferor Company and the Transferee Company, the Scheme shall become null and void 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 may otherwise arise in law and in such event each party shall bear and pay its respective costs, charges and expenses in connection with the Scheme.

22.2 If any provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company through their respective Boards, affect the validity or implementation of the other provisions of this Scheme.

23. **COSTS, CHARGES & EXPENSES**

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of, or incurred in carrying out and implementing this Scheme and matters incidental thereto, (including stamp duty) shall be borne by the Transferee Company.



Certified True Copy
For Motilal Oswal Financial Services Limited

A handwritten signature in black ink, appearing to read "Kailash Purohit".

Kailash Purohit
Company Secretary and Compliance Officer