

**THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
#360 ONE WAM LIMITED**

[The amended Articles of Association have been adopted in substitution of existing Articles of Association vide Special Resolution passed at the Extra-Ordinary General Meeting of the Company held on May 24, 2019]

PART I

I. PRELIMINARY

1. * The Regulations contained in Table "F" of the First Schedule to the Companies Act, 2013 hereinafter referred to as Table "F" shall be deemed to be incorporated in and form part of these Articles with the exception of such portions of Table "F" as are hereinafter expressly or by necessary implication excluded altered or modified.
2. In these regulations:
 - (i) * "Act" means (a) the Companies Act, 2013 and any amendment thereto or any other succeeding enactment for the time being in force and (b) the Companies Act, 1956 to the extent not replaced by the Companies Act, 2013, and shall include the rules framed and circulars / notifications issued thereunder.
 - (ii) #"Company" means 360 ONE WAM Limited.
 - (iii) "Seal" means the Common Seal of the Company.
 - (iv) "Shares or other securities" mean equity shares, fully convertible debentures, partly convertible debentures or any other securities, which would be convertible into or exchanged with equity shares at a later date.
3. Unless the context otherwise required, words or expressions contained in these regulations shall bear the same meanings as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

II. SHARE CAPITAL AND VARIATION OF RIGHTS

- (i) The Authorised Share Capital of the Company shall be in accordance with the clause V of the Memorandum of Association of the Company.
- (ii) Minimum paid up capital of the Company shall be Rs. 5,00,000/-.

* Altered vide special resolution passed by the members of the Company at the extraordinary general meeting held on October 27, 2022, with immediate effect.

Altered vide special resolution passed by the members of the Company at the extraordinary general meeting held on December 29, 2022, with effect from January 5, 2023, by virtue of "Certificate of Incorporation pursuant to change of name" issued by the Registrar of Companies, Mumbai.

4. * The Company in a general meeting may, from time to time, by an ordinary resolution increase the Capital by the creation of new shares or other securities, such increase to be of such aggregate amount and to be divided into shares or other securities of such respective amounts as the resolution shall prescribe. The new shares or other securities shall be issued upon such terms & conditions, and with such rights and privileges annexed thereto, as the general meeting shall direct and if no direction be given, as the Directors shall determine, and in particular, such shares or other securities may be issued with a preferential or qualified right as to dividends, voting or otherwise in accordance with the Act and other applicable laws.
5. Subject to the provisions of Section 62 of the Act and these Articles, the shares or other securities shall be under the control of the directors who may issue, allot or otherwise dispose off the same to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to the compliance with the provision of Sections 53 and 54 of the Act) and at such time as they think fit and with full power and subject to the sanction of the Company in a general meeting to give any person or persons the option or right to call for or any shares or other securities of the Company either at a premium or at par or at a discount during such time and for such consideration as the directors think fit, and may issue and allot shares or other securities in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares, provided that option to call shall not be given to any person except with the consent of the General Meeting.

6. **FURTHER ISSUE OF SHARES**

- 6.1. * Where at any time it is proposed to increase the subscribed capital of the Company by issue of further shares or other securities, then:
 - (a) Such further shares or other securities shall be offered to the persons who, at the date of the offer, are holders of the equity shares in the Company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date subject to the following conditions and the provisions of Section 62 of the Act and other applicable laws;
 - (b) Such offer shall be made by a notice specifying the number of shares or other securities offered and stipulating such time period as may be prescribed from time to time under the Act and other applicable laws, within which the offer, if not accepted, shall be deemed to have been declined;
 - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares or other securities offered to him or any of them in favour of any other person and the notice referred to hereinabove shall contain a statement of this right; and

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(d) After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given, that he declines to accept the shares or other securities offered, the Board may dispose off such shares or other securities in such manner which is not dis-advantageous to the shareholders and the Company.

6.2 * Notwithstanding anything contained in Article 6.1, the Company may, by a special resolution passed to such effect in a general meeting and subject to such other conditions as may be prescribed under the Act and other applicable laws, issue further shares or other securities to any person or persons, and such person or persons may or may not include the persons who at the date of the offer, are the holders of the equity shares of the Company.

6.3. Nothing in Article 6.1(c) hereof shall be deemed:

- (a) to extend the time within which the offer should be accepted; or
- (b) to authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

6.4. Subject to the provision of this Article and subject to the provisions of the Act, the Directors shall have full power and authority to issue further share capital from time to time including to decide as to the manner in which such further capital may be issued, to whom the same may be issued, the issue price or consideration including the terms of payment thereof and whether the same may be issued for cash or for consideration other than cash.

6.5. Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued by the Company:

- a) to convert such debentures or loans into shares in the Company; or
- b) to subscribe for shares in the Company.

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term has been approved by the special resolution passed by the Company in a General Meeting before the issue of such debentures or raising of such loans.

7. Subject to the provisions of the Act, the Company in general meeting, from time to time, by Ordinary Resolution alter the conditions of its Memorandum of Association so as to:

- 7.1 increase its authorised share capital by such amount as it thinks expedient;
- 7.2 consolidate and divide all or any of its share capital into shares or other securities of larger amount than its existing shares;

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- 7.3 convert all or any of its fully paid – up shares or other securities into stock, and reconvert that stock into fully paid –up shares or other securities of any denomination;
 - 7.4 sub-divide its shares or other securities, or any of them, into shares or other securities of smaller amount than is fixed by the memorandum, so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share or other security shall be the same as it was in the case of the share or other security from which the reduced share or other security is derived;
 - 7.5 cancel shares or other security which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares or other securities so cancelled.
8. If at any time share capital is divided into different classes, the right attached to any class of shares or other securities (unless otherwise provided by the terms of the issue of shares of that class or other securities) may subject to the provisions of the Section 48 of the Act be modified, commuted, effected, abrogated or varied (whether or not the company is being wound up) with the consent in writing of the holders of not less than three- fourth of the issued shares of that class or other securities or with the sanction of the special resolution passed at a separate meeting of the holders of that class of shares or other securities and all the provisions hereinafter contained as to General Meeting shall mutatis mutandis apply to every such meeting.

III. SHARES, SHARE CERTIFICATES AND DEBENTURES

9. (i) * Subject to the extant provisions of the Act and other applicable laws, every member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in their name, or if the directors so approve (upon paying such fee as the directors may determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within such period as may be prescribed from time to time under the Act, from the date of allotment, unless the conditions of issue thereof otherwise provide, or within such period as may be prescribed from time to time under the Act, of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares, as the case may be. Subject to the Act, certificates of shares or other securities shall be issued under the seal of the Company as signed by two Directors and Secretary or some other person appointed by the Board for the purpose. Every certificate of shares or other securities shall bear the name of the member and denote the number and the distinctive number of shares or other securities in respect of which it is issued, and amount paid thereon and shall be in such form as the directors may prescribe and approve.

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- (ii) Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the general meeting, appointment of directors and otherwise debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the general meeting by a special resolution.
10. If two or more persons are required as joint holders of any shares or other securities, any one of such persons may give effectual receipt for any dividends, bonus or moneys payable in respect of such share or other security.
 11. The Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holders.
 12. Save as herein otherwise provided, the Company shall be entitled to treat the registered holder of a share or other security as the absolute owner thereof, and accordingly no person shall be recognised by the Company as holding any share or other security upon the trust and the Company as shall not be bound by or recognise any equitable, contingent, future, or partial interest in any fractional part of a share or other security or (except only as by the statute or under order of court) any other right in respect of any share or other security except an absolute right to the entirety thereof as the registered holder.
 13. The rights conferred upon the holders of the shares of any class or other security issued with preferred or other rights shall unless otherwise expressly provided by the terms of issue of the shares of that class or other security, not be deemed to be varied by the creation or issue of further shares or other securities ranking *pari passu* therewith.
 14. If any share certificate is worn out, defaced, mutilated or torn or if there is no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the article shall be issued without payment of fees if the directors so decide, or on payment of such fees (not exceeding Rupees Two for each certificate) as the directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made

under the Act or rules made under the Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable thereof in this behalf.

The provision of this Article shall *mutatis mutandis* apply to debentures of the Company.

15. (i) The Company shall have a first and paramount lien upon all the shares or other securities (other than fully paid-up shares or other securities) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares or other securities and no equitable interest in any share or other security shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares or other securities. Unless otherwise agreed the registration of a transfer of shares or other securities shall operate as a waiver of the company's lien if any, on such shares or other securities. The directors may at any time declare any shares or other securities wholly or in part to be exempt from the provisions of this Article.
- (ii) The fully paid up shares shall be free from all lien and in the case of partly paid shares, the Company's lien shall be restricted to monies called or payable at a fixed time in respect of such shares.
- (iii) Pursuant to Section 106 of the Act, no member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

IV. CALLS ON SHARES

16. The Directors may, from time to time make such calls as they think fit, upon the members in respect of all monies unpaid on their shares or other securities and subject to, if any, special terms upon which any shares or other securities may have been issued. All the calls shall be made on a uniform basis on shares falling under the same class or such other securities.
 - (i) The directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The directors may at any time repay the amount so advanced.

- (ii) The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.
 - (iii) The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.
17. A call be deemed to have been made at the time when the resolution of Board authorising the call was passed and may be required to be paid by installments at the discretion of the Directors or on such subsequent date as shall be determined by the Directors.
18. The joint holder of the shares or other securities shall be jointly and severally liable to pay calls in respect thereof.

V. FORFEITURE OF SHARES

19. Regulation 28 to 34 of Table "F" shall apply.

VI. TRANSFER AND TRANSMISSION OF SHARES

20. With respect to physical shares of the Company, if any, there shall be a common form of transfer. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and any statutory modification thereof for the time being shall be complied with in respect of all such transfers and the registration thereof. Every instrument of transfer shall be signed by or on behalf of the transferee and the transferor and the transferor shall be deemed to remain the holder of such share or other security until the name of the transferee is entered in the Register of Members in respect thereof.
21. No fee will be charged for the registration of any transfer, transmission, grant of probate, succession certificate, grant of letter of administration, certificate of death or marriage, power of attorney or other similar instruments.
22. * Omitted.
23. The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share or other security.
24. The Company shall keep a book to be called the "Register of renewed and Duplicate Certificates" and there in shall be fairly and distinctly entered the particulars of the issue of the renewed, duplicate certificates in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old decrepit, worn out or rendered useless.

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25. The instrument of transfer after registration shall be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall, on demand be returned to the person depositing the same.
26. Subject to the provisions of Section 58 of the Act, or any statutory modification these Articles and other applicable provisions of the Act or any other law thereof for the time being in force, the Board of Directors may at any time at their discretion in pursuance of any power of the Company under these Articles or otherwise and by giving reasons or grounds, decline to register or acknowledge any transfer of, or the transmission by operation of law of the right to, any shares or other securities or interest of a member and in particular may so decline in any case in which the Company has a lien upon the shares or other securities desires to be transferred on which call remains unpaid. The registration of the transfer shall be conclusive evidence of the approval of the Board of Directors of the transferee. Provided that registration of the transfer shall not be refused on the grounds of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on shares or other securities. If the Company refuses to register the transfer of any shares or other securities or transmission of any right therein, the Company shall, within one month from the date on which the instrument of transfer or intimation of the transmission was delivered to the Company, send notice of refusal to transferee and transferor or to the person giving intimation of the transmission, as the case may be, giving reasons for such refusal and thereupon the provisions of the Act or any statutory modification or re-enactment thereof shall apply.
27. Every transmission of a share or other security shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or unless an indemnity be given to the Company with regard to such registration which the directors at their discretion shall consider sufficient provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.
28. * The Company has facilitated dematerialization of all of its existing shares with the depositories and has obtained International Security Identification Number (ISIN) for its shares. Accordingly, notwithstanding anything contained in Article 20 to Article 27, every holder of the shares or other securities shall deal in such shares or other securities in any manner, in accordance with the Act and the other applicable laws. The shares of the Company being in dematerialized form, the provisions of Depositories Act 1966 will be applicable with respect to transfer and transmission of all shares of the Company.

VII. GENERAL MEETING

29. A General Meeting of the Company may be called by giving not less than 21 days clear notice, in writing or through electronic mode.

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30. The accidental omissions to give any such notice or the non-receipt of any such notice by any of the members to whom it should be given shall not invalidate any resolution passed or proceeding held at any such meeting.
31. Five members or such higher number as required pursuant to Section 103 of the Act, present personally shall be quorum for all purpose at any General Meeting.
32. No business shall be transacted at any General Meeting unless the quorum requisite shall be present at the commencement of the business.
33. The directors shall on the requisition of such member or members of the Company as is specified in Section 100 of the Act forthwith proceed duly to call an Extraordinary General Meeting of the Company and in the case of such requisition the provisions of the said Section shall have effect.
34. The Chairman of the Board of Directors shall be entitled to take the chair at every General Meeting. If there is no such Chairman or if at any meeting or if he shall not be present within fifteen minutes after the time appointed for holding such meeting or being present declines to take the chair, the Directors present may choose one of their member to be the Chairman and in default of their doing so, the members present shall choose one of the directors to be the Chairman, and if no director present be willing to take the Chair, shall on a show of hands, elect one of the members to be the Chairman of the meeting. If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and the Chairman so elected shall exercise all the powers of the Chairman under the said provisions. If some other person is elected Chairman as a result of poll, he shall be the Chairman for the rest of the meeting.
35. * Subject to the provisions of the Act, at any General Meeting a resolution put to the vote of the meeting shall, unless a poll is demanded or the voting is carried out electronically, be decided on a show of hands.
36. Before or on the declaration of the result of the voting on any resolution on show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that before by one or more member holding shares or other securities of prescribed amount and having the right to vote on the resolution and present in person or by proxy.
37. The demand for poll may be withdrawn at any time by the person or persons who made the demand.

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38. The Chairman of a General Meeting may with the consent of the meeting, adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

VIII. VOTING

39. * Subject to any rights or restrictions for the time being attached to any class or classes of shares or other securities and subject to extant provisions of the Act and other applicable laws, the voting shall at the general meeting or by postal ballot or any other manner prescribed by law be done as prescribed in the following articles:
40. * On a show of hand, every member holding shares or other securities and present in person, shall have one vote; and
41. * On a poll or if the voting is carried out electronically, he shall have such number of votes, as the number of shares or other securities held by him.

IX. DIRECTORS

42. Unless and until otherwise determined by the Company in general meeting the number of Directors shall not be less than 3 (Three) and more than 12 (Twelve) including nominee Directors.
43. The first Directors of the Company are:
- (i) Shri Nirmal Jain
 - (ii) Shri Rajamani Venkataraman
 - (iii) Shri Mukesh Kumar Singh.
44. Quorum for the Board meeting shall be two Directors or 1/3 rd of the total strength of the Board whichever is higher.
45. A Director shall not be required to hold any share in the capital of the Company to qualify him as a Director.
46. The Directors may at any time appoint any person as Directors to fill any casual vacancy or as an additional Director to their number subject to the maximum number herein before provided in Article 42 above and the Additional Director so appointed shall retain his office until the next annual general meeting and shall then be eligible for reappointment by the Company in that meeting.
47. * The office of Directors shall be vacated in accordance with the provisions contained in the Act and also if he is removed from his office in accordance with the provisions of the Act.

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48. Subject to the provisions of any agreement for the time being in force the Company may by an ordinary resolution remove any Director and may also by an ordinary resolution appoint a person in his place, but special notice shall be required in either case.
49. If at any time the Company obtains any loans or any assistance in connection therewith by way of guarantee or otherwise from any person, firm, body corporate, local authority, or public body (hereinafter called 'The Institution') debentures or debenture-stock and enters into any contract or arrangement with the institution whereby the institution subscribes for or underwrites the issue of the Company's shares or other securities or debentures or debenture-stock or provides any assistance to the Company in any manner whatsoever and it is a term of the relative loan, assistance or contract or arrangement that the Institution shall have the right to appoint one or more Director or Directors to the Board of the Company, then subject to the provisions of Section 152 of the Act and subject to the terms and conditions of such loan, assistance, contract or arrangement the institution shall be entitled to appoint one or more Director or Directors, as the case may be, to the Board of the Company, and to remove from office any Director so appointed and to appoint another in his place or in the place a Director so appointed who resigns or otherwise vacates his office. Any such appointment or removal shall be made in writing and shall be served at the office of the Company.
50. The Director or Directors so appointed shall neither be required to hold any qualification share nor be liable to retire by rotation and shall continue in office for so long as the relative loan, assistance, contract or arrangement, as the case may be, subsists or so long as the Institution holds any shares or other securities of the Company in terms thereof.
51. The Directors shall receive out of the funds of the Company a sum as the Board may from time to time determine for every meeting attended by him. The Directors shall also be entitled to be paid travelling, hotel and other reasonable expense incurred in connection with their attendance at Board meetings or any committee thereof or otherwise in the execution of their duties as Directors.
52. If any Directors shall be called upon to perform extra services either as Technical Advisory or otherwise, or to make special exertion for any of the purpose of the Company or giving special attention to the business of the Company or as a member of a committee of the Directors, then subject to the provisions of the Act, the Directors may pay remuneration which may be either in addition to or in substitution of any other remuneration to which he may be entitled.

X. MANAGING DIRECTOR / WHOLE-TIME DIRECTOR

53. The Board may from time to time appoint one or more Directors to be Managing Directors or Whole time Directors for such terms, and at such remuneration (whether by way of salary or commission or participation in profits or partly in one way and partly in another) as it may think fit, and a Director so appointed shall, while holding that office, be subject to retirement by rotation. But his appointment shall be subject to determination ipso facto if he ceases from any case to be a Director of the Company & General Meeting resolve that his tenure of office of Managing Director/Whole time Director be determined.

XI. SECRETARY

54. Subject to the provision of the Applicable Law, a manager or secretary may be appointed by the Board on such terms, at such remuneration and upon such conditions as it may think fit and any Secretary so appointed may be removed by the Board.
55. A Director may be appointed as Secretary subject to Section 188 of the Act.
56. The Board of Directors may subject to the provision of the Act from time to time delegate any of their powers to Committee consisting of such member or members as they think fit and may from time to time revoke such delegation. Any committee so formed shall in the exercise of the powers so delegated, conform to any regulation that may from time to time be imposed upon it by the Directors.
57. The meeting and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulation made by Directors under these Articles.

XII. BUY-BACK OF SHARES

58. Notwithstanding anything contained in these Articles, the Board of Directors may, when and if thought fit, buy-back such of the Company's own shares or other securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, as required by law.

XIII. UNCLAIMED DIVIDEND

59. Where the dividend has been declared by the Company but has not paid or claimed within 30 days or such prescribed days under applicable laws, from the date of declaration to any shareholder entitled to the payment thereof, the Company shall within 7 days from the date of expiry of said prescribed days, transfer the total amount of dividend which remain unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank.
60. * Any money transferred to the unpaid dividend account of the Company in pursuance of Article 59 hereof which remains unpaid or unclaimed for a period of seven years or such other period as prescribed under the Act and other applicable laws, from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund of the central government but a claim to any money so transferred to the Investor Education and Protection Fund may be referred to the Central Government by the person to whom the money is due and shall be dealt in such manner as prescribed under the Act and other applicable laws.

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61. * The Company shall, when making any transfer under Article 60 hereof to the Investor Education and Protection Fund of the Central Government of any unpaid or unclaimed dividend, furnish to such office as the Central Government may appoint in this behalf, a statement in the prescribed form in respect of all sums included in such transfer the nature of the sums, the names and last known addresses of the person entitled to receive the sum, the amount to which each person is entitled and the nature of his claim thereto and such other particulars as may be prescribed under the Act and other applicable laws.
62. * Subject to the provisions of applicable law, no unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law.

XIV. DIVIDEND AND BONUS SHARES

63. No dividend shall be payable except in cash. Provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any Shares held by the Members of the Company.

XV. SEAL

64. **The seal, its custody and use.**

The Board shall provide a Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu of the same, and the Board shall provide for the safe custody of the seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.

The Company shall also be at liberty to have an official seal in accordance with provisions of the Act, for use in any territory, district or place outside India.

65. **Deeds how executed.**

Every Deed or other instrument, to which the seal of the Company is required to be affixed shall unless the same is executed by a duly constituted attorney, be signed by two Directors or one Director and Secretary or some other person appointed by the Board for the purpose provided that in respect of the Share Certificate the Seal shall be affixed in accordance with Article 64.

XVI. AUDIT

66. In every year, the accounts of the Company shall be examined and audited at least once by an auditor who shall be duly appointed. The payment of remuneration to auditor will be in accordance with Section 142 of the Act and rules made thereunder.

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XVII. SECRECY

67. Every Director, manager, auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall observe strict secrecy in respect of all transaction of the Company with the customers and the state of accounts with individuals and in matters relating thereto and shall not reveal in the discharge of his duties except when required to do so by the Directors as such or by any meeting or by Court of law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

XVIII. WINDING UP

68. If the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets, shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the Capital paid up or which ought to have been paid up as at the Commencement of the winding up on the shares or other securities held by them respectively. And if in a winding up the assets available for distribution among the member shall be more than sufficient to repay the whole of the capital at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the shares or other securities held by them respectively. But this Article is to be without prejudice to the rights of the holder of shares or other securities issued upon special terms and conditions.
69. If the Company shall be wound up whether voluntary, or otherwise, Liquidators may with the sanction of a Special Resolution, divide amongst the members in specie or kind any part of the assets of the Company as the Liquidators, with the like sanction, shall think fit.

XIX. INDEMNITY

70. Subject to the provisions of the Act, every Director, officer or agent for the Company shall be indemnified out of the Company's fund against any liability incurred by him in defending any proceedings, whether, civil or criminal, in which judgements is given in his favour or in which he is acquitted or in connection with any application under Section 463 of the Act in which relief is granted to him by court.
-

^ PART II

71. #Notwithstanding anything to the contrary contained in the preceding Articles 1 to 70, the provisions of Article 71 to Article 110 contained in Part II of these Articles shall also apply in accordance with their terms and in the event of any inconsistency or contradictions between the provisions of Part I of these Articles and the provisions of Part II of these Articles, the provisions of Part II of these Articles shall override and prevail over the provisions of Part I of these Articles.

72. ##Omitted.

XX. INTERPRETATION

73. In addition to the terms defined in other parts of Part II of these Articles, whenever used in this Part II unless repugnant to the meaning or context thereof, the following responses shall have the meanings set forth below:

Affiliate(s) means, with respect to:

(i) ##Omitted

(ii) **Omitted

(iii) ##Omitted

(iv) ##Omitted

(v) * New Investor, (a) the Person, which, directly or indirectly, controls, is controlled by, or is under common control with the New Investor. With respect to this sub- clause (a), “control” means: (1) the ownership of more than 50% of the equity shares or voting rights of the New Investor; (2) the possession of the power to direct the management and policies of the New Investor; or (3) the power to appoint a majority of the directors, managers, partners or other individuals exercising similar authority with respect to the New Investor by virtue of ownership of voting rights, by contract or in any other manner; and the terms “controlling” and “controlled” shall be construed accordingly; (b) the manager, managing member, general partner or management company of the New Investor; and (c) any pooled investment fund(s) and/or juristic entity managed by the same manager, managing member, general partner or management company or by an entity controlling, controlled by, or under common control with such manager, managing member, general partner or management company, or any other pooled investment fund, but shall exclude any portfolio companies of the New Investor or its Affiliates;

^ *The alterations / omissions / insertions to Part II of these Articles of Association became effective from November 22, 2022, being the date of completion as communicated to the Company (“Completion”) by BC Asia Investments X Limited (“Purchaser”) and General Atlantic Singapore Fund Pte. Ltd and FIH Mauritius Investments Ltd (together, the “Sellers”) in accordance with the terms of the share purchase agreement dated 30 March 2022 (“SPA”) executed by and amongst the Purchaser and the Sellers.*

** *Omitted vide special resolution passed by the members of the Company at the extraordinary general meeting held on October 27, 2022, with effect from the Completion i.e. November 22, 2022.*

Part of the Article omitted upon termination of the shareholders’ agreement dated October 24, 2015, and board resolution dated June 12, 2024, with effect from June 12, 2024.

Omitted upon termination of the shareholders’ agreement dated October 24, 2015, and board resolution dated June 12, 2024, with effect from June 12, 2024.

* *Inserted vide special resolution passed by the members of the Company at the extraordinary general meeting held on October 27, 2022, with effect from the Completion i.e. November 22, 2022.*

Applicable Law means: (i) any applicable statute, law, regulation, ordinance, rule, judgement, rule of law, order, decree, clearance, approval, directive, guideline, policy, requirement, or other governmental restriction; or (ii) any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any statutory or regulatory authority;

****Assignee** means the respective Affiliates and transferees to whom Shares are Transferred by the New Investor in accordance with these Articles;

Board means board of Directors and includes committees of the Board;

Director means a Person who is appointed as a director of the Company pursuant to these Articles;

*** New Investor** means BC Asia Investments X Limited;

*** New Investor Director** has the meaning assigned to it at Article 79A;

Person means a natural or juristic entity and wherever necessary (by implication or otherwise) includes firms and, or, associations and any authority;

Shares mean: (i) equity shares; (ii) preference shares; and (iii) Share Equivalents;

Share Equivalents means all instruments issued by the Company which entitle the holder to Equity Shares of the Company at a future date;

Shareholders mean Persons who hold Shares and **Shareholding** shall be construed accordingly;

Transfer means any transfer or other disposition of Shares or voting interests or any interest therein by any means whatsoever and includes any attempt to do any of the foregoing and **Transferor** and **Transferee** will be construed accordingly.

74. **##**Omitted.

XXI. **##**Omitted.

** Inserted vide special resolution passed by the members of the Company at the extraordinary general meeting held on October 27, 2022, with effect from the Completion i.e. November 22, 2022.*

*** Altered vide special resolution passed by the members of the Company at the extraordinary general meeting held on October 27, 2022, with effect from the Completion i.e. November 22, 2022.*

Part of the Article omitted upon termination of the shareholders' agreement dated October 24, 2015, and board resolution dated June 12, 2024, with effect from June 12, 2024.

Omitted upon termination of the shareholders' agreement dated October 24, 2015, and board resolution dated June 12, 2024, with effect from June 12, 2024.

XXII. DIRECTORS

- 75. #Omitted.
- 76. #Omitted.
- 77. * Omitted.
- 78. #Omitted.
- 79. #Omitted.

79A. ** The New Investor shall have the right to nominate Directors on the Board, as set out below (**New Investor** Director):

- (i) 3 Directors till such time that the New Investor and its Affiliates, in the aggregate, hold not less than 17.5% (seventeen point five percent) of the Company's share capital on a fully diluted basis;
- (ii) 2 Directors till such time that the New Investor and its Affiliates, in the aggregate, hold not less than 10% (ten percent) of the Company's share capital on a fully diluted basis; and
- (iii) 1 Director till such time that the New Investor and its Affiliates, in the aggregate, hold not less than 5% (five percent) of the Company's share capital on a fully diluted basis.

The Directors appointed by the New Investor pursuant to this Article shall be non-executive Directors. The New Investor shall also have the right to: (i) nominate alternate Directors; and (ii) remove any Directors so nominated and nominate another Director in place of the Director so removed.

The rights of the New Investor under this Article 79A shall be freely transferable and assignable by the New Investor and its respective successors in interest to the Assignee on such terms and conditions as the New Investor may deem fit without any restriction or requirement of consent or approval from the other Shareholders of the Company, provided further that, there shall be no duplication or multiplicity of the New Investor's rights hereunder between the New Investor and its Assignee, and only (i) such New Investor, (ii) its Assignee, or (iii) such New Investor and the Assignee acting jointly (which decision shall be made and communicated to the Company at the time of Transfer) shall be entitled to the rights hereunder.

79B. ##Mr. Karan Bhagat (DIN:03247753) shall have the right to nominate himself as a Director of the Company as long as he is the promoter of the Company or key managerial personnel of the Company or any of its subsidiaries.

79C. ##Mr. Yatin Shah (DIN: 03231090) shall have the right to nominate himself as a Director of the Company as long as he is the promoter of the Company or key managerial personnel of the Company or any of its subsidiaries.

- 80. #Omitted.
- 81. #Omitted.
- 82. #Omitted.

* *Omitted vide special resolution passed by the members of the Company at the extraordinary general meeting held on October 27, 2022, with effect from the Completion i.e. November 22, 2022.*

** *Inserted vide special resolution passed by the members of the Company at the extraordinary general meeting held on October 27, 2022, with effect from the Completion i.e. November 22, 2022.*

Omitted upon termination of the shareholders' agreement dated October 24, 2015, and board resolution dated June 12, 2024, with effect from June 12, 2024.

Inserted vide special resolution passed by the members of the Company at the annual general meeting held on July 11, 2024, with effect from July 11, 2024.

Casual Vacancies

83. *If any New Investor Director resigns, vacates or is removed from office before his term expires, the resulting casual vacancy may only be filled by the Shareholder nominating such Director.
84. #Omitted.
85. #Omitted.
86. #Omitted.
87. #Omitted.
88. #Omitted.
89. #Omitted.
90. #Omitted.

Committees of the Board

91. #Omitted.
92. #Omitted.
93. * Subject to compliance with requirements under Applicable Law, at least 1 New Investor Director shall be appointed on all the committees of the Directors, unless such right is otherwise waived by the New Investor.
94. #Omitted.
95. #Omitted.
96. #Omitted.
97. #Omitted.
98. #Omitted.
99. #Omitted.
100. #Omitted.
101. #Omitted.

* *Altered vide special resolution passed by the members of the Company at the extraordinary general meeting held on October 27, 2022, with effect from the Completion i.e. November 22, 2022 and further part of the Article omitted upon termination of the shareholders' agreement dated October 24, 2015, and board resolution dated June 12, 2024, with effect from June 12, 2024..*

Omitted upon termination of the shareholders' agreement dated October 24, 2015, and board resolution dated June 12, 2024, with effect from June 12, 2024.

XXIII. #Omitted

102. #Omitted.

103. #Omitted.

104. #Omitted.

105. #Omitted.

106. #Omitted.

107. #Omitted.

108. #Omitted.

XXIV. ASSIGNMENT & TERMINATION

109. * Omitted.

110. * Omitted.

We, the several persons, whose names and addresses are hereunder subscribed, are desirous of being formed into a company, in pursuance of this Articles of Association.

Omitted upon termination of the shareholders' agreement dated October 24, 2015, and board resolution dated June 12, 2024, with effect from June 12, 2024.

* *Omitted vide special resolution passed by the members of the Company at the extraordinary general meeting held on October 27, 2022, with effect from the Completion i.e. November 22, 2022.*

We, the several persons, whose names and addresses are hereunder subscribed, are desirous of being formed into a company, in pursuance of this Articles of Association

Names, Addresses, Description and Occupation of Subscribers	Signature of Subscriber	Signature, Name, Address, Description and Occupation of Witness
<p>1) India Infoline Limited Through Its Director Mr. R. Venkataraman Bldg. No. 75, Nirlon Complex, Off Western Express Highway, Goregaon (East), Mumbai – 400 063. Occupation: Service Board resolution dated 24th December, 2007</p>	Sd/-	<p>WITNESS TO ALL :</p> <p>Sd/-</p> <p>Aashish Bhatt S/o Kamlesh Bhatt D-604, Lata Annexe, Above UTI Bank, W.E Highway, Borivali (East), Mumbai- 400 066</p>
<p>2) Mukesh Kumar Singh S/o Mr. Satya Deo Singh 607, Orchid Tower, Lokhandwala Township, Akurli Road, Kandivali, Mumbai- 400 101. Occupation: Service (for and on behalf and as a nominee of India Infoline Limited)</p>	Sd/-	<p>Occupation: Practising Company Secretary</p>
<p>3) Kapil Krishan S/o Mr. Kanwal Krishan D-301, Jal Vayu Vihar, Nr. Hiranandani Garden, Powai, Mumbai – 400 076. Occupation: Service (For and on behalf and as a nominee of India Infoline Limited)</p>	Sd/-	
<p>4) R. Mohan S/o Mr. Radhakrishnan Subramaniam A-204, Rajrudram, Gokuldham, Goregaon (East), Mumbai – 400063. Occupation: Service (For and on behalf and as a nominee of India Infoline Limited)</p>	Sd/-	
<p>5) Harshad Apte S/o Mr. Suhas Apte 1001/6, Accolade Chs, Hazuri Dargah Road, Thane (West), Thane – 400 604. Occupation: Service (For and on behalf and as a nominee of India Infoline Limited)</p>	Sd/-	
<p>6) Nimish Mehta S/o Mr. Ramesh Mehta A-203, Green Gagan, Lokhandwala township, Kandivali, Mumbai- 400 101. Occupation: Service (for and on behalf and as a nominee of India Infoline Limited)</p>	Sd/-	
<p>7) Kalpesh A. Shah S/o Amritlal D. Shah A/5, 403, Yogi Nagar, Eksar Road, Borivali (west), Mumbai 400 091. Occupation: Service (For and on behalf and as a nominee of India Infoline Limited)</p>	Sd/-	

Mumbai, Dated this 8th day of January, 2008

CERTIFIED TRUE COPY OF SPECIAL RESOLUTION PASSED AT THE EXTRA-ORDINARY GENERAL MEETING OF IIFL WEALTH MANAGEMENT LIMITED ("THE COMPANY") HELD ON MAY 24, 2019.

ADOPTION OF AMENDED AND RESTATED ARTICLES OF ASSOCIATION OF THE COMPANY:

"RESOLVED THAT pursuant to provisions of Section 5, Section 14 of the Companies Act, 2013, other applicable provisions of the Companies Act, 2013, and the rules made thereunder and any other applicable law for the time being in force (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the members be and is hereby accorded for adoption of the restated Articles of Association of the Company, in substitution of the existing Articles of Association, with immediate effect;

RESOLVED FURTHER THAT any Director and Company Secretary of the Company be and are hereby severally authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above resolution, including but not limited to making the necessary application(s)/filing(s) with the Registrar of Companies to complete the procedure for adoption of new set of Articles of Association of the Company and do all necessary things as may be required at the instance of Registrar of Companies and to comply with all other requirements in this regard"

RESOLVED FURTHER THAT any director of the Company or the Company Secretary of the Company, be and is hereby severally authorised to certify a copy of this resolution and issue the same to all concerned parties."

Certified true copy

For IIFL Wealth Management Limited



Ashutosh Naik
Company Secretary
Membership No.: ACS 15067

Date: May 24, 2019

Place: Mumbai

IIFL WEALTH MANAGEMENT LIMITED

Corporate & Registered Office:
IIFL Centre, Kamala City, Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013
TEL: (91-22) 4876 5600 | FAX: (91-22) 4875 5606

(An IIFL Group Company)

www.iiflwealth.com

CIN: U74140MH2008PLC177884

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED AT THE 1ST EXTRAORDINARY GENERAL MEETING OF THE MEMBERS OF IIFL WEALTH MANAGEMENT LIMITED HELD ON THURSDAY, OCTOBER 27, 2022, THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS FROM IIFL CENTRE, KAMALA CITY, SENAPATI BAPAT MARG, LOWER PAREL, MUMBAI - 400 013

ITEM NO. 1 - ALTERATION OF THE ARTICLES OF ASSOCIATION OF THE COMPANY:

“RESOLVED THAT pursuant to the provisions of Section 5, Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modifications or re-enactment thereof for the time being in force), and all other rules, regulations, guidelines, notifications as may be applicable to the Company, and subject to the necessary approval(s), permission(s), consent(s) and sanction(s) required, if any, and all other applicable laws and regulations, if any, approval of the members of the Company be and is hereby accorded for effecting the following amendments in the existing articles of association of the Company:

- (a) To delete Article 1 in the present articles of association of the Company and to replace it in its entirety with the following:
The Regulations contained in Table “F” of the First Schedule to the Companies Act, 2013 hereinafter referred to as Table “F” shall be deemed to be incorporated in and form part of these Articles with the exception of such portions of Table “F” as are hereinafter expressly or by necessary implication excluded altered or modified.
- (b) To delete clause (i) under Article 2 in the present articles of association of the Company and to replace it in its entirety with the following:
“Act” means (a) the Companies Act, 2013 and any amendment thereto or any other succeeding enactment for the time being in force and (b) the Companies Act, 1956 to the extent not replaced by the Companies Act, 2013, and shall include the rules framed and circulars / notifications issued thereunder.
- (c) To delete Article 4 in the present articles of association of the Company and to replace it in its entirety with the following:
The Company in a general meeting may, from time to time, by an ordinary resolution increase the Capital by the creation of new shares or other securities, such increase to be of such aggregate amount and to be divided into shares or other securities of such respective amounts as the resolution shall prescribe. The new shares or other securities shall be issued upon such terms & conditions, and with such rights and privileges annexed thereto, as the general meeting shall direct and if no direction be given, as the Directors shall determine, and in particular, such shares or other securities may be issued with a preferential or qualified right as to dividends, voting or otherwise in accordance with the Act and other applicable laws.
- (d) To delete Article 6.1 in the present articles of association of the Company and to replace it in its entirety with the following:
Where at any time it is proposed to increase the subscribed capital of the Company by issue of further shares or other securities, then:
 - (a) *Such further shares or other securities shall be offered to the persons who, at the date of the offer, are holders of the equity shares in the Company, in proportion, as nearly as*

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- circumstances admit, to the capital paid-up on those shares at that date subject to the following conditions and the provisions of Section 62 of the Act and other applicable laws;*
- (b) *Such offer shall be made by a notice specifying the number of shares or other securities offered and stipulating such time period as may be prescribed from time to time under the Act and other applicable laws, within which the offer, if not accepted, shall be deemed to have been declined;*
 - (c) *The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares or other securities offered to him or any of them in favour of any other person and the notice referred to hereinabove shall contain a statement of this right; and*
 - (d) *After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given, that he declines to accept the shares or other securities offered, the Board may dispose off such shares or other securities in such manner which is not dis-advantageous to the shareholders and the Company.*
- (e) To delete Article 6.2 in the present articles of association of the Company and to replace it in its entirety with the following:
Notwithstanding anything contained in Article 6.1, the Company may, by a special resolution passed to such effect in a general meeting and subject to such other conditions as may be prescribed under the Act and other applicable laws, issue further shares or other securities to any person or persons, and such person or persons may or may not include the persons who at the date of the offer, are the holders of the equity shares of the Company.
- (f) To delete clause (i) under Article 9 in the present articles of association of the Company and to replace it in its entirety with the following:
Subject to the extant provisions of the Act and other applicable laws, every member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in their name, or if the directors so approve (upon paying such fee as the directors may determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within such period as may be prescribed from time to time under the Act, from the date of allotment, unless the conditions of issue thereof otherwise provide, or within such period as may be prescribed from time to time under the Act, of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares, as the case may be. Subject to the Act, certificates of shares or other securities shall be issued under the seal of the Company as signed by two Directors and Secretary or some other person appointed by the Board for the purpose. Every certificate of shares or other securities shall bear the name of the member and denote the number and the distinctive number of shares or other securities in respect of which it is issued, and amount paid thereon and shall be in such form as the directors may prescribe and approve.
- (g) To delete the following Article 22 in the present articles of association of the Company without renumbering the other Articles:
No shares or any other securities shall be transferred to the outsiders until the existing shareholders of the Company refuse to accept the offer of such transfer at the value determined by the Directors.
- (h) To delete Article 28 in the present articles of association of the Company and to replace it in its entirety with the following:

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The Company has facilitated dematerialization of all of its existing shares with the depositories and has obtained International Security Identification Number (ISIN) for its shares. Accordingly, notwithstanding anything contained in Article 20 to Article 27, every holder of the shares or other securities shall deal in such shares or other securities in any manner, in accordance with the Act and the other applicable laws. The shares of the Company being in dematerialized form, the provisions of Depositories Act 1966 will be applicable with respect to transfer and transmission of all shares of the Company.

- (i) To delete Article 35 in the present articles of association of the Company and to replace it in its entirety with the following:
Subject to the provisions of the Act, at any General Meeting a resolution put to the vote of the meeting shall, unless a poll is demanded or the voting is carried out electronically, be decided on a show of hands.
- (j) To delete Article 39 in the present articles of association of the Company and to replace it in its entirety with the following:
Subject to any rights or restrictions for the time being attached to any class or classes of shares or other securities and subject to extant provisions of the Act and other applicable laws, the voting shall at the general meeting or by postal ballot or any other manner prescribed by law be done as prescribed in the following articles:
- (k) To delete Article 40 in the present articles of association of the Company and to replace it in its entirety with the following:
On a show of hand, every member holding shares or other securities and present in person, shall have one vote; and
- (l) To delete Article 41 in the present articles of association of the Company and to replace it in its entirety with the following:
On a poll or if the voting is carried out electronically, he shall have such number of votes, as the number of shares or other securities held by him.
- (m) To delete Article 47 in the present articles of association of the Company and to replace it in its entirety with the following:
The office of Directors shall be vacated in accordance with the provisions contained in the Act and also if he is removed from his office in accordance with the provisions of the Act.
- (n) To delete Article 60 in the present articles of association of the Company and to replace it in its entirety with the following:
Any money transferred to the unpaid dividend account of the Company in pursuance of Article 59 hereof which remains unpaid or unclaimed for a period of seven years or such other period as prescribed under the Act and other applicable laws, from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund of the central government but a claim to any money so transferred to the Investor Education and Protection Fund may be referred to the Central Government by the person to whom the money is due and shall be dealt in such manner as prescribed under the Act and other applicable laws.

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- (o) To delete Article 61 in the present articles of association of the Company and to replace it in its entirety with the following:
The Company shall, when making any transfer under Article 60 hereof to the Investor Education and Protection Fund of the Central Government of any unpaid or unclaimed dividend, furnish to such office as the Central Government may appoint in this behalf, a statement in the prescribed form in respect of all sums included in such transfer the nature of the sums, the names and last known addresses of the person entitled to receive the sum, the amount to which each person is entitled and the nature of his claim thereto and such other particulars as may be prescribed under the Act and other applicable laws.
- (p) To delete Article 62 in the present articles of association of the Company and to replace it in its entirety with the following:
Subject to the provisions of applicable laws, no unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law.
- (q) To delete the following, and such deletion coming into effect from completion of the sale and purchase of the Sale Shares (*as defined in the SPA*) on the date as communicated to the Company by BC Asia Investments X Limited (“**Purchaser**”) and General Atlantic Singapore Fund Pte. Ltd and FIH Mauritius Investments Limited (together, the “**Sellers**”) in accordance with the terms of the share purchase agreement dated 30 March 2022 (“**SPA**”) executed by and amongst the Purchaser and the Sellers (“**Completion**”):
- (i) The following Article 77 in the present articles of association of the Company shall stand deleted without renumbering the other Articles:
*The Existing Investor shall have the right to nominate (i) 2 Directors until the occurrence of Threshold Event 1; and (ii) 1 Director until the occurrence of Threshold Event 2 (**Investor Director**).*
- (ii) References to ‘Investor Directors’ under the following Article 82, Article 99, Article 100 and the heading of Article 99 and Article 100 in the present articles of association of the Company shall stand deleted and Article 82, Article 99, Article 100 and the heading of Article 99 and Article 100 in the present articles of association of the Company shall stand replaced in their entirety with the following, respectively:
Article 82: The Board shall ensure that each nomination, removal or replacement of the Existing Promoter Director(s) in terms of Article XVII is implemented without delay and where necessary, meetings of the Shareholders of the Company, or meetings of the Board, as applicable, are convened for this purpose.
- Liability of Existing Promoter Directors*
Article 99: The Existing Promoter Directors shall be deemed to be non-executive Directors as long as: (i) they are not in whole time employment of the Company; and (ii) they do not draw any remuneration and/or reimbursements from the Company.
Article 100: Subject to Applicable Law, the Existing Promoter Directors shall not be identified as officers in charge/ default of the Company or occupiers of any premises used by the Company or an employer of the employees of the Company. Further, the Management Directors or other suitable persons shall be nominated as officers in charge and for the purpose of statutory compliances, occupiers and/or employers as the case may.

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- (iii) To delete Article 93 in the present articles of association of the Company and to replace it in its entirety with the following, and such deletion and replacement coming into effect from Completion:
Subject to compliance with requirements under Applicable Law, at least (i) 1 New Investor Director; and (ii) 1 Existing Promoter Director shall be appointed on all the committees of the Directors, unless such right is otherwise waived by either the New Investor and / or the Existing Promoters (the Existing Promoters acting jointly), respectively.
- (iv) The following Article 109 in the present articles of association of the Company shall stand deleted without renumbering the other Articles:
The rights of the Assignor attached to the Shares held by them or detailed in these Articles and, or, Shareholders Agreement shall be freely transferable and assignable by the Assignor and its respective successors in interest to the Assignees on such terms and conditions as the Assignor may deem fit without any restriction or requirement of consent or approval from any other Shareholder of the Company, provided further that, in such case, all the rights of the Assignor hereunder shall be jointly exercised by the Assignor Group) as a block and not by each member of the Assignor Group separately. Such rights shall be exercised as may be mutually agreed amongst the Assignor Group and through such member as nominated by the Assignor Group and intimated to the Company in writing.
- (v) The following Article 110 in the present articles of association of the Company shall stand deleted without renumbering the other Articles:
Notwithstanding anything contained in these Articles, upon the occurrence of the Threshold Event 2 with respect to an Assignor Group, all its rights and obligations under these Articles shall automatically terminate, as if the relevant Articles reflecting its rights and obligations were never in place.
- (r) To insert the following new definitions under Article 73 in the present articles of association of the Company after the definition of “Management Director” and before the definition of “New Promoters”, and such insertion coming into effect from Completion:
New Investor means BC Asia Investments X Limited;
New Investor Director has the meaning assigned to it at Article 79A;
- (s) To delete the following definitions under Article 73 in the present articles of association of the Company, and such deletion coming into effect from Completion:
Assignor means the Existing Investor, and/or Existing Promoters;
Assignor Group means the Assignor and Assignee, jointly;
Existing Investor means General Atlantic Singapore Fund Pte. Ltd.;
Investor Director has the meaning assigned to it at Article 77;
- (t) To delete the definition of “Assignee” under Article 73 in the present articles of association of the Company and replace it in its entirety with the following definition, and such deletion and replacement coming into effect from Completion:
Assignee means the respective Affiliates and transferees to whom Shares are Transferred by the New Investor in accordance with these Articles;

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- (u) To delete clause (ii) under the definition of “Affiliate(s)” under Article 73 in the present articles of association of the Company without renumbering the other clauses and insert the following new clause (v) under the definition of “Affiliate(s)” under Article 73 in the present articles of association of the Company, and such insertion coming into effect from Completion:
(v) New Investor, (a) the Person, which, directly or indirectly, controls, is controlled by, or is under common control with the New Investor. With respect to this sub-clause (a), “control” means: (1) the ownership of more than 50% of the equity shares or voting rights of the New Investor; (2) the possession of the power to direct the management and policies of the New Investor; or (3) the power to appoint a majority of the directors, managers, partners or other individuals exercising similar authority with respect to the New Investor by virtue of ownership of voting rights, by contract or in any other manner; and the terms “controlling” and “controlled” shall be construed accordingly; (b) the manager, managing member, general partner or management company of the New Investor; and (c) any pooled investment fund(s) and/or juristic entity managed by the same manager, managing member, general partner or management company or by an entity controlling, controlled by, or under common control with such manager, managing member, general partner or management company, or any other pooled investment fund, but shall exclude any portfolio companies of the New Investor or its Affiliates.
- (v) To delete the definition of “Threshold Event 1” under Article 73 in the present articles of association of the Company and replace it in entirety with the following definition, and such deletion and replacement coming into effect from Completion:
Threshold Event 1 means an event whereby the Existing Promoters cease to hold at least 10% of the Company’s share capital on a Fully Diluted Basis;
- (w) To delete the definition of “Threshold Event 2” under Article 73 in the present articles of association of the Company and replace it in entirety with the following definition, and such deletion and replacement coming into effect from Completion:
Threshold Event 2 means an event whereby the Existing Promoters cease to hold at least 5% of the Company’s share capital on a Fully Diluted Basis;
- (x) To delete the definition of “Shareholders’ Agreement” under Article 73 in the present articles of association of the Company and replace it in entirety with the following definition, and such deletion and replacement coming into effect from Completion:
Shareholders’ Agreement means the shareholders’ agreement dated 24 October 2015 entered into between inter alia the Company, IIFL Holdings Limited and New Promoters, as amended from time to time;
- (y) To insert the following new article immediately after Article 79, as Article 79A, in the present articles of association of the Company, and such insertion coming into effect from Completion:
The New Investor shall have the right to nominate Directors on the Board, as set out below (New Investor Director):
(i) 3 Directors till such time that the New Investor and its Affiliates, in the aggregate, hold not less than 17.5% (seventeen point five percent) of the Company’s share capital on a fully diluted basis;
(ii) 2 Directors till such time that the New Investor and its Affiliates, in the aggregate, hold not less than 10% (ten percent) of the Company’s share capital on a fully diluted basis; and

IIFL WEALTH MANAGEMENT LIMITED

Corporate & Registered Office:
IIFL Centre, Kamala City, Senapati Bapat Marg,
Lower Parel, Mumbai – 400 013
TEL: (91-22) 4876 5600 | FAX: (91-22) 4875 5606

(iii) 1 Director till such time that the New Investor and its Affiliates, in the aggregate, hold not less than 5% (five percent) of the Company's share capital on a fully diluted basis.

The Directors appointed by the New Investor pursuant to this Article shall be non-executive Directors. The New Investor shall also have the right to: (i) nominate alternate Directors; and (ii) remove any Directors so nominated and nominate another Director in place of the Director so removed.

The rights of the New Investor under this Article 79A shall be freely transferable and assignable by the New Investor and its respective successors in interest to the Assignee on such terms and conditions as the New Investor may deem fit without any restriction or requirement of consent or approval from the other Shareholders of the Company, provided further that, there shall be no duplication or multiplicity of the New Investor's rights hereunder between the New Investor and its Assignee, and only (i) such New Investor, (ii) its Assignee, or (iii) such New Investor and the Assignee acting jointly (which decision shall be made and communicated to the Company at the time of Transfer) shall be entitled to the rights hereunder.

(z) To delete Article 83 in the present articles of association of the Company and to replace it in its entirety with the following, and such deletion and replacement coming into effect from Completion:

If any New Investor Director or Existing Promoter Director resigns, vacates or is removed from office before his term expires, the resulting casual vacancy may only be filled by the Shareholder nominating such Director.

RESOLVED FURTHER THAT the resolutions set out in (q) to (z) above shall automatically stand rescinded, cancelled and have no continuing effect, and the alterations made to the Articles of Association vide resolutions set out in (q) to (z) above shall be deemed to have been deleted, if the Completion does not occur in accordance with the SPA.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things, as it may, at its absolute discretion, deem necessary to give effect to the aforementioned resolution without being required to seek any further consent or approval of the members and execute all such deeds, documents, instruments and writings as may be required and make all such filings as may be necessary, with powers on behalf of the Company to settle all such questions, difficulties or doubts whatsoever which may arise, and to give such directions and/or instructions as may be necessary or expedient in this regard."

Certified true copy

For **IIFL Wealth Management Limited**

Rohit
Shriniwas
s Bhase

Digitally signed
by Rohit
Shriniwas Bhase
Date: 2022.10.31
18:28:45 +05'30'

Rohit Bhase
Company Secretary
(ACS: 21409)
Place: Mumbai

IIFL WEALTH MANAGEMENT LIMITED

Corporate & Registered Office:
IIFL Centre, Kamala City, Senapati Bapat Marg,
Lower Parel, Mumbai – 400 013
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CERTIFIED TRUE COPY OF THE STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“THE ACT”) SETTING OUT MATERIAL FACTS IN RESPECT OF SPECIAL BUSINESS(ES) TRANSACTED AT THE 1ST EXTRAORDINARY GENERAL MEETING OF THE MEMBERS OF IIFL WEALTH MANAGEMENT LIMITED HELD ON THURSDAY, OCTOBER 27, 2022, THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS FROM IIFL CENTRE, KAMALA CITY, SENAPATI BAPAT MARG, LOWER PAREL, MUMBAI - 400 013

Item No. 1 - Alteration of the Articles of Association of the Company

The Company has executed a letter agreement dated 31 March 2022 (“**Letter Agreement**”) with BC Asia Investments X Limited (“**Purchaser**”), in connection with a share purchase agreement dated 30 March 2022 (“**SPA**”) executed amongst the Purchaser, General Atlantic Singapore Fund Pte. Limited (“**GA**”) and FIH Mauritius Investments Limited (together, the “**Sellers**”), pursuant to which the Purchaser has agreed to purchase an aggregate of 2,21,55,000 (Two Crores Twenty-One Lakh and Fifty-Five Thousand) equity shares issued by the Company having face value Rs. 2 (Indian Rupees Two) (“**Sale Shares**”) from the Sellers, constituting 24.98% (Twenty-Four Point Nine Eight Per Cent) of the paid up share capital of the Company as on 30 March 2022 (“**Transaction**”).

In terms of the Letter Agreement, the Company needs to undertake certain actions in relation to the Transaction, which include, *inter alia*, amendment to the articles of association of the Company (“**Articles**”) in the following manner:

- (a) deletion of Article 22, which restricts the transfer of the Company’s shares or other securities to outsiders until the existing shareholders of the Company refuse to accept the offer of such transfer;
- (b) deletion of the following, with effect from completion of the sale and purchase of the Sale Shares on the date as communicated to the Company by the Purchaser and the Sellers in accordance with the terms of the SPA (“**Completion**”):
 - (i) Article 77, which provides GA a right to nominate directors on the board of directors of the Company (“**Board**”) until the occurrence of certain events (“**Investor Directors**”);
 - (ii) references to ‘Investor Directors’ under Article 82, Article 99, and Article 100, which articles deal with appointment, removal and replacement of directors; committees of the Board; non-executive directors; and liability of directors, respectively;
 - (iii) Article 109, which deals with the transfer and assignment of rights attached to the shares of the Company held by Mr. R. Venkataraman, Mr. Nirmal Jain and their respective relatives and/or by GA (collectively, the “**Assignors**”), without any restriction or requirement of consent or approval from other shareholders of the Company; and
 - (iv) Article 110, which deals with the termination of all the rights and obligations under the Articles, of the Assignors, and of the respective affiliates and transferees to whom shares are transferred by the Assignors in accordance with the Articles; and
- (c) incorporation of the rights of the Purchaser in relation to nomination of directors on the Board, with effect from Completion, which are set out below:
 - (i) 3 (three) directors till such time that the Purchaser and its Affiliates (*as defined in the SPA*), in the aggregate, hold not less than 17.5% (seventeen point five percent) of the Company’s share capital on a fully diluted basis;

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- (ii) 2 (two) directors till such time that the Purchaser and its Affiliates (*as defined in the SPA*), in the aggregate, hold not less than 10% (ten percent) of the Company's share capital on a fully diluted basis; and
- (iii) 1 (one) director till such time that the Purchaser and its Affiliates (*as defined in the SPA*), in the aggregate, hold not less than 5% (five percent) of the Company's share capital on a fully diluted basis.

Such directors appointed by the Purchaser will be non-executive directors. The Purchaser will also have the right to: (i) nominate alternate directors; and (ii) remove any directors so nominated and nominate another in place of the director so removed.

In addition, the Company wishes to undertake the following alterations to Part II of its present Articles:

- (a) deleting the definition of "Investor Director" under Article 73 in its present Articles, with effect from Completion;
- (b) inserting the definition of "New Investor Director" under Article 73 in its present Articles, with effect from Completion; and
- (c) replacing the words "Investor Director" with "New Investor Director" under Article 83 and Article 93 in its present Articles, with effect from Completion.

In addition to the above, the Company wishes to undertake the following alterations to Part I of its present Articles, in order to bring them in line with the Companies Act and other applicable laws, and for the sake of good order:

- (a) replacing the words "with the" with "in and" in Article 1, for the sake of correctness;
- (b) adding the words "and shall include the rules framed and circulars / notifications issued thereunder" under clause (i) of Article 2, for the sake of completeness;
- (c) modifying the language of Article 4 to ensure that it is in accordance with the Companies Act, as amended from time to time, and other applicable laws;
- (d) modifying the language of Article 6.1 and Article 6.2 to ensure that they are in accordance with Section 62 of the Companies Act, as amended from time to time;
- (e) modifying the language of clause (i) under Article 9 to ensure that it is in accordance with the Companies Act, and other applicable laws, as amended from time to time;
- (f) modifying the language of Article 28 to ensure that it is in accordance with applicable laws;
- (g) modifying the language of Article 35, Article 39, Article 40 and Article 41 to ensure that they are in accordance with the Companies Act, as amended from time to time;
- (h) replacing the word "act" with "Act" under Article 47, for the sake of correctness; and
- (i) modifying the language of Article 60, Article 61 and Article 62 to ensure that they are in accordance with applicable laws.

Pursuant to the provisions of Section 14 of the Companies Act, alteration of the articles of association of a company requires the approval of its members by way of a special resolution at a general meeting. In view of this, the resolution for approval of alteration of the Articles is proposed for the consideration and approval of the members of the Company.

The Board, at its meeting dated September 30, 2022, has considered and approved the alteration of the Articles as set out at item no. 1 of the Notice of the 1ST Extraordinary General Meeting for the financial year 2022-23, subject to the approval of the members of the Company. A copy of the proposed amended articles of association along with a table listing out the proposed alterations to the articles of association

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will be made available for inspection to a shareholder upon their request in the manner as specified in note no. 8 of this Notice.

The Board recommends the special resolution set out at item no. 1 of the Notice for approval of the members.

Other than Mr. Sandeep Naik, Mr. Shantanu Rastogi and Mr. Gopalakrishnan Soundarajan, none of the directors or key managerial personnel, and their respective relatives are, in any way, concerned or interested, financially or otherwise, in the passing of the resolution set out at item no. 1 of the Notice, except to the extent of their shareholding, if any, in the Company.

Certified true copy

For **IIFL Wealth Management Limited**

Rohit
Shriniwas
s Bhase

Digitally signed
By Rohit
Shriniwas Bhase
Date: 2022.10.31
18:29:05 +05'30'

Rohit Bhase
Company Secretary
(ACS: 21409)
Place: Mumbai

IIFL WEALTH MANAGEMENT LIMITED

Corporate & Registered Office:
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CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED AT THE 2ND EXTRAORDINARY GENERAL MEETING FOR THE FINANCIAL YEAR 2022-23 OF THE MEMBERS OF IIFL WEALTH MANAGEMENT LIMITED HELD ON THURSDAY, DECEMBER 29, 2022, THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS FROM IIFL CENTRE, KAMALA CITY, SENAPATI BAPAT MARG, LOWER PAREL, MUMBAI - 400 013

ITEM NO. 1 - THE CHANGE OF NAME OF THE COMPANY:


“RESOLVED THAT pursuant to the provisions of (a) Section 4, 5, 13, 14 and 15 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, (b) Regulation 45 and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (c) all other acts, rules, regulations, circulars, notifications and guidelines as may be applicable to the Company in this regard and subject to the approval from the statutory authority(ies) as may be applicable, approval of the members be and is hereby accorded to change the name of the Company from **‘IIFL Wealth Management Limited’** to **‘360 ONE WAM Limited’**.

RESOLVED FURTHER THAT upon the issuance of the ‘Certificate of Incorporation pursuant to change of name’ by the Registrar of Companies, the name **‘360 ONE WAM Limited’** be substituted for **‘IIFL Wealth Management Limited’** wherever it appears in the Memorandum of Association and Articles of Association of the Company and Clause I of the Memorandum of Association of the Company be altered as under:

- I. The name of the Company is 360 ONE WAM Limited.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds and things as it may at its absolute discretion deem necessary to give effect to this resolution without being required to seek any further consent or approval of the members and to execute all such deeds, documents, instruments and writings as may be required and to make all such filings as may be necessary, with powers on behalf of the Company to delegate and to settle all such questions, difficulties or doubts whatsoever which may arise and to give such directions and/or instructions as may be necessary or expedient in this regard.”

Certified true copy
For **IIFL Wealth Management Limited**


Ronit Bhave
Company Secretary
(ACS: 21409)
Place: Mumbai



IIFL WEALTH MANAGEMENT LIMITED

Corporate & Registered Office: IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013

Tel (91-22) 4876 5600 Fax (91-22) 4646 4706 Email secretarial@iiflw.com www.360.one

CIN: L74140MH2008PLC177884

CERTIFIED TRUE COPY OF THE STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT") SETTING OUT MATERIAL FACTS IN RESPECT OF SPECIAL BUSINESS(ES) TRANSACTED AT THE 2ND EXTRAORDINARY GENERAL MEETING FOR THE FINANCIAL YEAR 2022-23 OF THE MEMBERS OF IIFL WEALTH MANAGEMENT LIMITED HELD ON THURSDAY, DECEMBER 29, 2022, THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS FROM IIFL CENTRE, KAMALA CITY, SENAPATI BAPAT MARG, LOWER PAREL, MUMBAI - 400 013

Item No. 1 - THE CHANGE OF NAME OF THE COMPANY:

The Company has adopted the new brand namely '**360 ONE**' and accordingly its sub-brands, for the Company and its subsidiaries (including wordmark(s), trademark(s) and logo(s)) hereinafter referred to as "**New Brands**"). **360 ONE** is an embodiment of two words that are extremely important to us - '**360**' represents the holistic view we take of the '**ONE**' person whose interests are always first: Our Client. The alignment of interests with our clients, our employees and all our stakeholders has resulted in the Company emerging as the leader in the industry. In view of the adoption of the New Brands and in order to align the name of the Company with the New Brands, it is proposed to change the name of the Company from '**IIFL Wealth Management Limited**' to '**360 ONE WAM Limited**' and to make consequential alterations to the Memorandum of Association and Articles of Association of the Company.

The Company alongwith its subsidiaries is in the business of wealth and asset management. Also, the erstwhile brand of the Company was 'IIFL Wealth & Asset Management'. Accordingly, the word '**WAM**' being an acronym of '**W**ealth and **A**sset **M**anagement' forms part of the proposed name.

The proposed name '**360 ONE WAM Limited**' is made available to the Company by the Central Registration Centre, Registrar of Companies ("**ROC**"), vide its letter dated December 2, 2022 and the same is valid for a period of 60 days from December 2, 2022.

The proposed change in the name of the Company to '**360 ONE WAM Limited**', will be effective upon receipt of the Certificate of Incorporation pursuant to change of name of the Company. Consequent upon change of name of the Company, the name 'IIFL Wealth Management Limited' appearing in Clause I of the Memorandum of Association of the Company and wherever appearing in the Articles of Association, Memorandum of Association, documents, letterhead, Invoices and other stationery(ies) of the Company will be substituted with the new name i.e. '**360 ONE WAM Limited**'.

Pursuant to the provisions of Section 13 and 14 of the Act and other applicable provisions thereof, read with rules made thereunder, alterations to the Memorandum of Association and Articles of Association of the Company including for change of name of a company requires approval of its members by way of a special resolution. In view of this, the proposed change of name of the Company to '**360 ONE WAM Limited**' and the consequential alterations to Articles of Association and Memorandum of Association of the Company as aforesaid, is proposed for the consideration of the members of the Company and approval by way of a special resolution.

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CIN: L74140MH2008PLC177884

Pursuant to the provisions of Regulation 45 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations, 2015"), a listed entity is allowed to change its name subject to compliance with the following conditions:

- (a) a time period of at least one year has elapsed from the last name change;
- (b) at least fifty percent of the total revenue in the preceding one year period has been accounted for by the new activity suggested by the new name; or
- (c) the amount invested in the new activity/project is atleast fifty percent of the assets of the listed entity.

Since the Company is proposing to change its name for the first time after the incorporation on January 17, 2008 and the proposed change in name is not pursuant to any change in business activity of the Company, the aforesaid conditions are not applicable to the Company. Accordingly, a certificate in this regard confirming compliance with Regulation 45(3) of Listing Regulations, 2015, procured from M/s. Sanjay Rane & Associates, practicing chartered accountant, forms part of this Notice as "Annexure B".

The Board at its meeting held on November 15, 2022, has considered the change of name of the Company and consequential alterations to the Memorandum of Association and Articles of Association of the Company and has approved the same subject to the approval of the members of the Company as set out at Item No. 1 of the Notice. A copy of the proposed altered Memorandum of Association and altered Articles of Association will be made available for inspection to a member upon request in the manner as specified in Note No. 8 of this Notice.

The Board recommends the special resolution set out at Item No. 1 of the Notice for approval of the members.

None of the Directors or Key Managerial Personnel and their respective relatives are, in any way, concerned or interested, financially or otherwise, in the passing of the resolution set out at Item No. 1 of the Notice, except to the extent of their shareholding, if any, in the Company.

Certified true copy
For IIFL Wealth Management Limited


Rohit Bhave
Company Secretary
(ACS: 21409)
Place: Mumbai



IIFL WEALTH MANAGEMENT LIMITED

Corporate & Registered Office: IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013

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CIN: L74140MH2008PLC177884

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF 360 ONE WAM LIMITED (“COMPANY” AND FORMERLY KNOWN AS IIFL WEALTH MANAGEMENT LIMITED) HELD ON WEDNESDAY, JUNE 12, 2024, THROUGH VIDEO CONFERENCE FACILITY FROM 360 ONE CENTRE, KAMALA CITY, SENAPATI BAPAT MARG, LOWER PAREL, MUMBAI - 400 013

TAKING NOTE OF THE OMISSION OF CERTAIN ARTICLES FROM THE ARTICLES OF ASSOCIATION OF THE COMPANY:

“**RESOLVED THAT** pursuant to the provisions of Section 5 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder (including any statutory modifications or re-enactment thereof for the time being in force) and all other rules, regulations, guidelines, notifications as may be applicable to the Company read with Article 71 of the Articles of Association of the Company and consequent to the execution of letter for termination of Shareholders’ Agreement dated October 24, 2015 (“**Termination Letter**”), as against all the parties thereto, the Board hereby takes on record the omissions (in part and/or in full) of the following Articles in the existing Articles of Association of the Company with effect from the execution of the Termination Letter by the Company:

- (a) The following Articles of the present Articles of Association shall stand omitted without renumbering the other Articles:
- (i) Article 72
 - (ii) clause (i), (iii) and (iv) of the definition of ‘Affiliate(s)’ under Article 73 shall stand omitted:
 - (iii) following definitions under Article 73 shall stand omitted:
 - Articles
 - Business Day
 - Company
 - Control
 - Equity Shares
 - Existing Promoters
 - Existing Promoter Director
 - Fully Diluted Basis
 - INR
 - Management Director
 - New Promoters
 - Relatives
 - Shareholders’ Agreement
 - Threshold Event 1
 - Threshold Event 2
 - (iv) Article XXI
 - (v) Article 74 to 76
 - (vi) Article 78 to 82

360 ONE WAM LIMITED (Formerly known as IIFL Wealth Management Limited)

Corporate & Registered Office: 360 ONE Centre, Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400 013

- (vii) Article 84 to 92
 (viii) Article 94 to 108
- (b) Part of the following Articles of the present Articles of Association of the Company (as demarcated with an underline) shall stand omitted:

Article as per present Articles of Association	Article post execution of the Termination Letter
<p><u>Article 71:</u> Notwithstanding anything to the contrary contained in the preceding Articles 1 to 70, the provisions of Article 71 to Article 110 contained in Part II of these Articles shall also apply in accordance with their terms and in the event of any inconsistency or contradictions between the provisions of Part I of these Articles and the provisions of Part II of these Articles, the provisions of Part II of these Articles shall override and prevail over the provisions of Part I of these Articles. <u>Part II of these Articles shall cease to apply in entirety when the Shareholders' Agreement is terminated as against all the parties thereto.</u></p>	<p><u>Article 71:</u> Notwithstanding anything to the contrary contained in the preceding Articles 1 to 70, the provisions of Article 71 to Article 110 contained in Part II of these Articles shall also apply in accordance with their terms and in the event of any inconsistency or contradictions between the provisions of Part I of these Articles and the provisions of Part II of these Articles, the provisions of Part II of these Articles shall override and prevail over the provisions of Part I of these Articles.</p>
<p><u>Definition of 'Director' under Article 73:</u> Director means a Person who is appointed as a director of the Company pursuant to <u>the Shareholders' Agreement and these Articles.</u></p>	<p><u>Definition of 'Director' under Article 73:</u> Director means a Person who is appointed as a director of the Company pursuant to these Articles.</p>
<p><u>Article 83:</u> If any New Investor Director or <u>Existing Promoter Director</u> resigns, vacates or is removed from office before his term expires, the resulting casual vacancy may only be filled by the Shareholder nominating such Director.</p>	<p><u>Article 83:</u> If any New Investor Director resigns, vacates or is removed from office before his term expires, the resulting casual vacancy may only be filled by the Shareholder nominating such Director.</p>
<p><u>Article 93:</u> Subject to compliance with requirements under Applicable Law, at least <u>(i) 1 New Investor Director; and (ii)</u></p>	<p><u>Article 93:</u> Subject to compliance with requirements under Applicable Law, at least 1 New Investor Director shall be</p>

360 ONE WAM LIMITED (Formerly known as IIFL Wealth Management Limited)

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Tel (91-22) 4876 5600

Fax (91-22) 4646 4706

Email secretarial@360.one

www.360.one

CIN: L74140MH2008PLC177884

<p>1 <u>Existing Promoter Director</u> shall be appointed on all the committees of the Directors, unless such right is otherwise waived by <u>either</u> the New Investor <u>and / or the Existing Promoters (the Existing Promoters acting jointly), respectively.</u></p>	<p>appointed on all the committees of the Directors, unless such right is otherwise waived by the New Investor.</p>
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RESOLVED FURTHER THAT any Director of the Company, Chief Operating Officer, Chief Financial Officer or Company Secretary of the Company, are hereby severally authorised to submit the revised articles of association of the Company to any statutory authority, as may be required and to sign, execute and deliver any documents on behalf of the Company and to do all such ancillary and incidental acts, matters, deeds and things and to take all steps and give such directions as may be required, necessary, expedient or desirable for giving effect to this resolution.

RESOLVED FURTHER THAT a copy of this resolution, certified to be true by any member of the Board or Chief Operating Officer or Chief Financial Officer or Company Secretary of the Company, be provided to the concerned authorities or such other persons as may be required."

Certified true copy

For 360 ONE WAM LIMITED

(formerly known as IIFL Wealth Management Limited)

ROHIT
SHRINIWA
AS BHASH

Digitally signed by ROHIT BHASHAK
DN: cn=ROHIT BHASHAK,
o=360 ONE WAM LIMITED,
ou=360 ONE WAM LIMITED,
email=rohit.bhashak@360one.com,
c=IN

Rohit Bhasha
Company Secretary
ACS 21409

SCHEME OF AMALGAMATION
OF
IIFL WEALTH ADVISORS (INDIA) LIMITED
WITH
IIFL WEALTH MANAGEMENT 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) BACKGROUND OF THE COMPANIES

- (a) IIFL Wealth Advisors (India) Limited is a company incorporated under the provisions of the Companies Act, 1956 under the corporate identity number U74140TN2004PLC053285 having its registered office at Lemuir House, 10 G. N. Chetty Road, D T Nagar, Chennai 600 017 (hereinafter referred to as the "Transferor Company"). The Transferor Company *inter alia* is engaged in the business of providing financial services activities and holds license to carry on the portfolio management business and Investment Adviser business. The Transferor Company is a wholly owned subsidiary of the Transferee Company (*defined hereinafter*).
- (b) IIFL Wealth Management Limited is an unlisted public company incorporated under the provisions of the Companies Act, 1956 under the corporate identity number U74140MH2008PLC177884 having its registered office at IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra 400013 (hereinafter referred to as the "Transferee Company"). The Transferee Company *inter alia* engaged in the business of providing financial services activities including portfolio management, advisory services and acts as the wealth manager to high net worth individuals and corporate clients.

(B) RATIONALE FOR THE SCHEME

Both, the Transferor Company and the Transferee Company are, *inter alia*, engaged in similar lines of financial services business including wealth management, distribution of financial products, portfolio management, advisory services etc.

The overall objective of the acquisition of the Transferor Company was to augment the above businesses mainly in south India by getting access to client relationships of the Transferor Company, customer contracts, people, brand, business information, etc to scale up and establish deeper client relationships by offering broad based wealth management solution and services available with the Transferee Company.

With the acquisition of the Transferor Company, it became a 100% subsidiary of the Transferee Company. Further, to fully realise the potential of the acquisition through seamless operations between the two companies such that the principal objective of the acquisition was accomplished, it is felt that the companies must merge and operate as one with effect from the date of acquisition. This will also remove duplication of activities and multiple licences for the group as it will also be consolidated into a single entity enabling cross selling of products and

For IIFL Wealth Advisors (India) Limited

B. Anil Kumar Anubhashini

Director/ Authorised Signatory

opportunities and reap the synergies more effectively.

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

(C) OVERVIEW AND OPERATION OF THE SCHEME

The amalgamation of Transferor Company with Transferee Company will combine their business activities and operations into a single company with effect from the Appointed Date (*as defined hereinafter*) 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.

(D) 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.

PART I

1. DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

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

"Act" or the **"Companies Act"** means the Companies Act, 2013, to the extent of the provisions notified, and the Companies Act, 1956, to the extent of its provisions in force;

"Appointed Date" means the acquisition date, i.e. 22 November 2018 being the date on which 100% of the equity shares of the Transferor Company were acquired by Transferee Company

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

For IIFL Wealth Advisors (India) Limited

B. Kishore Subrahmaniam

Director/ Authorised Signatory

Authority (*defined hereinafter*) having jurisdiction over the Parties as may be in force from time to time;

"AMFI" means the Association of Mutual Funds in India;

"Appropriate Authority" means:

- (a) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunal, central bank, commission or other authority thereof;
- (b) any public international organisation or supranational body and its institutions, departments, agencies and instrumentalities; and
- (c) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing, exporting or other governmental or quasi-governmental authority including (without limitation) SEBI (*as defined hereinafter*) and the Tribunal (*as defined hereinafter*);

"Assets" means all movable and immovable properties, tangible or intangible, and other properties, real, corporeal and incorporeal, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, engagements, customer relationships, contracts, arrangements, commercial and business rights, knowledge, knowhow, intellectual properties and rights of any nature wheresoever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Transferor Company;

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

"Effective Date" means the last of the dates on which the conditions specified in Clause 20 of this Scheme are complied with or are waived by the Board of 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;

"Income Tax Act" means the Income-tax Act, 1961;

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

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B. K. Subhash

Director/ Authorised Signatory

"Liabilities" means all the debts, liabilities, duties and obligations including contingent liabilities of the Transferor Company;

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

"Permits" means all consents, licences, permits, certificates, permissions, authorisations, rights, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, whether governmental, statutory, regulatory or otherwise as required under Applicable Law and includes licences and approvals of SEBI, AMFI and such other authority or body for carrying out activities of 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 having jurisdiction over the Transferor Company and the Transferee Company, as the case may be;

"SEBI" means the Securities and Exchange Board of India;

"Scheme" means this Scheme of Amalgamation in its present form or this Scheme with such modification(s), if any made, as per Clause 19 of the Scheme from time to time, with the appropriate approvals and sanctions of the NCLT and other relevant regulatory/ statutory/ governmental authorities or Appropriate Authority, as may be required under the Act and/or under any other applicable laws;

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

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

"Transferor Company" means IIFL Wealth Advisors (India) Limited, a company incorporated under the provisions of the Companies Act, 1956 having corporate identity number U74140TN2004PLC053285 and its registered office at Lemuir House, 10 G. N. Chetty Road, D T Nagar, Chennai 600 017;

"Transferee Company" means IIFL Wealth Management Limited, an unlisted public company incorporated under the provisions of the Companies Act, 1956 having corporate identity number U74140MH2008PLC177884 and its registered office at IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai City, Maharashtra 400013; and

For IIFL Wealth Advisors (India) Limited

B. Subitha Subhakar

Director/ Authorised Signatory

“Tribunal” means the National Company Law Tribunal having jurisdiction over the Transferor Company and the Transferee Company or such authority that may have jurisdiction over the Scheme in accordance with the applicable provisions of the Act;

1.2 Interpretations

In this Scheme, unless the context otherwise requires:

- 1.1.1 words denoting the singular shall include the plural and *vice versa* and words denoting any gender shall include all genders;
- 1.1.2 headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information and convenience only and shall not form part of the operative provisions of this Scheme and shall be ignored in construing the same;
- 1.1.3 the words “include” and “including” are to be construed without limitation;
- 1.1.4 reference to a clause, paragraph or schedule is a reference to a clause, paragraph or schedule of this Scheme;
- 1.1.5 reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement, re-enactment, restatement or amendment of, that law or legislation or regulation and shall include the rules and regulations thereunder; and
- 1.1.6 references to days, months and years are to calendar days, calendar months and calendar years, respectively.

2. SHARE CAPITAL

- 2.1 The issued, subscribed and paid-up share capital of the Transferor Company as on 31 December 2018 is as under:

Share Capital	INR
Authorised share capital	
60,000,000 equity shares of INR 1 each	60,000,000
300,000 Zero percent fully convertible preference shares of INR 1 each	300,000
50,000 Zero percent fully convertible preference shares of INR 100 each	50,00,000
Total	65,300,000
Issued, subscribed and paid-up share capital	
53,433,822 equity shares of INR 1 each	53,433,822
Total	53,433,822

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

The issued, subscribed and paid-up share capital of the Transferor Company is held by the Transferee Company.

For IIFL Wealth Advisors (India) Limited

B. Lavitha Ambharshi
Director/ Authorised Signatory

- 2.2 The authorised, issued, subscribed and paid-up share capital of the Transferee Company as on 31 December 2018 is as under:

Share Capital	INR
Authorised share capital	
100,000,000 equity shares of INR 2 each	200,000,000
Total	200,000,000
Issued, subscribed and paid-up share capital	
8,45,21,324 equity shares of INR 2 each	16,90,42,648
Total	16,90,42,648

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

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.

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 NCLT or made as per Clause 19 of the Scheme, shall become effective from the Appointed Date, but shall be operative from the Effective Date.

PART II

AMALGAMATION OF TRANSFEROR COMPANY WITH TRANSFEE COMPANY

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

For IIFL Wealth Advisors (India) Limited

B. Lakshmi Anubhava
Director/ Authorised Signatory

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, 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 lists, client agreements, rights under employment agreements specifically in relation to business customer relationships established, client specific information, know your customer details, agreement with banks, 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, 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 immoveable 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 Liabilities, duties and obligations (debts, 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 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

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B. Lavitha Anubhaskar

Director/ Authorised Signatory

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 this Clause 4.2, 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, 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 Upon the effectiveness of this Scheme and with effect from the Effective Date, the Transferee Company undertakes to engage, without any interruption in service, all employees of the Transferor Company engaged in or in relation to the Transferred Undertaking, on terms and conditions no less favourable than those on which they are engaged by the Transferor Company. The Transferee Company agrees that the services of all such employees with the Transferor Company prior to the transfer shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retirement / terminal benefits.
- 5.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, as the case may be, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Transferee Company and/ or such new provident fund, gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities, by the Transferee Company. Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of

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B. V. S. Subhashini

Director/ Authorised Signatory

the said employees would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Company.

6 LEGAL PROCEEDINGS

- 6.1 Any suit, petition, appeal, tax assessment proceedings, tax appeals 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 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 and/or arising 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 and under the aforesaid relevant license and/ or permit and/ or approval, as the case may be.

8 CONTRACTS AND DEEDS

- 8.1 All contracts (including customer and client contracts), deeds, bonds, agreements, business agreements, indemnities, guarantees or other similar rights (including rights under employment agreements) 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

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B. Lavitha Anubhuti

Director/ Authorised Signatory

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 Appropriate Authority sanctioning the Scheme, and on this Scheme becoming effective be deemed to be contracts (including customer and client contracts), deeds, bonds, agreements, business agreements, indemnities, guarantees or other similar rights (including rights under employment agreements) 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 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.

9 TAXES/ DUTIES / CESS ETC.

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

For IIFL Wealth Advisors (India) Limited

R. Anil Kumar Anil Kumar

Director/ Authorised Signatory

- 9.1 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, unutilized credits of the Transferor Company relating to excise duties, sales tax, service tax, VAT, GST or any other Taxes by whatever name called shall stand vested to the Transferee Company upon filing of requisite forms.
- 9.2 Taxes of whatsoever nature including advance tax, tax deducted at source, 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 The Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, including tax deducted / collected at source returns, service tax returns, excise tax returns, sales tax / value added tax / goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign taxes paid/withheld, etc. if any, as may be required for the purposes of/consequent to implementation of the Scheme.

10 CONSIDERATION

- 10.1 The Transferor Company is a wholly owned subsidiary of the Transferee Company and therefore there shall be no issue of shares 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 shall stand cancelled without any further application, act or deed.

11 ACCOUNTING TREATMENT

Upon the Scheme being effective and with effect from the Appointed Date, the Transferee Company shall account for the amalgamation of the Transferor Company into and with the Transferee Company in its books of accounts as per "Acquisition Method" in compliance with the Indian Accounting Standard 103 on Business Combinations and other Indian Accounting Standards, as applicable, and notified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India in the following manner:

- a) At acquisition date, all the identifiable Assets acquired (including intangible assets, whether recorded in the books of account of the Transferor Company or not) and Liabilities assumed of the Transferor Company transferred to and vested in the Transferee Company pursuant to this Scheme shall be recorded in the books of accounts of the Transferee Company at fair values;
- b) The inter-corporate deposits / loans and advances / any other balance outstanding between the Transferee Company and the Transferor Company shall stand cancelled and there shall be no further obligation in that behalf;

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R. Anil Kumar

Director/ Authorised Signatory

- c) The investment held by the Transferee Company in the equity share capital of the Transferor Company shall stand cancelled and there shall be no further rights or obligations in that behalf; and
- d) The difference in value of net assets of the Transferor Company acquired by the Transferee Company as per Clause (a) and the amount referred to Clause (c) above shall be treated as goodwill in accordance with the applicable Indian Accounting Standards. If the amount referred to Clause (c) above is lower than the value of net assets acquired as per Clause (a), the difference shall be treated as Capital Reserve.

12 DECLARATION OF DIVIDEND, BONUS, ETC.

- 12.1 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.
- 12.2 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 the 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.

13 SAVING OF CONCLUDED TRANSACTIONS

The vesting of the undertaking of the Transferor Company under Clause 4 above, the continuance of proceedings under Clause 6 above and the effectiveness of contracts and deeds under Clause 8 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.

14 COMBINATION OF AUTHORISED CAPITAL

- 14.1 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.
- 14.2 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:

"V(a). The Authorised Share Capital of the Company is INR 20,00,00,000 (Rupees Twenty Crore only) divided into 10,00,00,000 (Ten Crore) equity shares of INR 2/- (Rupees two only)."

- 14.3 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

For IIFL Wealth Advisors (India) Limited

B. Lavitha Sankar

Director/ Authorised Signatory

association of the Transferee Company and the Transferor 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.

PART III

GENERAL TERMS AND CONDITIONS

15 DISSOLUTION OF THE TRANSFEROR COMPANY AND VALIDITY OF RESOLUTIONS

- 15.1 On the Scheme becoming effective, the Transferor Company shall stand 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. On and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the concerned RoC.
- 15.2 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.

16 BUSINESS IN TRUST FOR THE TRANSFEE COMPANY

- 16.1 With effect from the date of approval of the Scheme by the respective Boards of the Parties and up to and including the Effective Date:
- 16.1.1 The Transferor Company shall carry on its business with reasonable diligence and business prudence and in the same manner as the Transferor Company had been doing hitherto; and
- 16.1.2 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which the Transferee Company may respectively require to carry on the relevant business of the Transferor Company and to give effect to the Scheme.
- 16.2 With effect from the Appointed Date and up to the Effective Date:
- 16.2.1 The Transferor Company shall carry on and be deemed to have carried on its businesses and activities and shall hold and stand possessed of and be deemed to have held and stood possessed of all its Assets for and on account of and in trust for the Transferee Company.
- 16.2.2 The Transferor Company shall carry on its business and activities with due diligence and business prudence and shall not, without the prior written consent of the Transferee Company, charge, mortgage, encumber or otherwise deal with or alienate its Assets or any part thereof, nor incur, accept or acknowledge any debt, obligation or any liability or incur any major expenditure, except as is necessary in the ordinary course of its business.

For IIFL Wealth Advisors (India) Limited

B. Lakshmi Subhashini

Director/ Authorised Signatory

16.2.3 All profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company shall, for all purposes, be deemed to have accrued as the profits or income or expenditure or losses, as the case may be, of the Transferee Company.

17 APPLICATIONS

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

18 PROPERTY IN TRUST

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

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

For IIFL Wealth Advisors (India) Limited

R. Srinivas Subbarao

Director/ Authorised Signatory

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 CONDITIONS PRECEDENT

Unless otherwise decided (or waived) by the relevant Parties, the Scheme is conditional upon and subject to the following conditions precedent:

- 20.1 The requisite sanction or approval of the Tribunal in terms of Sections 230 to 232 and such other relevant provisions of the Act;
- 20.2 Approval by the requisite majority of shareholders and/or creditors, if required, of the Transferor Company and the Transferee Company, as directed by the Tribunal under the Act;
- 20.3 Last of the certified/ authenticated copies of the orders of the Tribunal, sanctioning the Scheme, being filed with the RoC having jurisdiction over the Parties; and
- 20.4 The requisite consent, approval or permission of Appropriate Authority including SEBI, depositories etc. or any other Person which by applicable law or contract, agreement may be necessary for the implementation of this Scheme.

21 EFFECT OF NON-RECEIPT OF APPROVALS

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.

22 NON-RECEIPT OF APPROVALS AND REVOCATION/WITHDRAWAL OF THIS SCHEME

- 22.1 The Parties acting jointly through their respective Boards shall each be at liberty to withdraw from this Scheme.
- 22.2 In the event the Scheme not being sanctioned by the Tribunal, and/or the order or orders not being passed as aforesaid on or before such date as may be agreed to by the Parties, this Scheme shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and/or in connection with this Scheme.
- 22.3 In the event of revocation/withdrawal of the Scheme under Clause 22.1 or Clause 22.2 above, 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 Applicable Law and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

23 COSTS, CHARGES AND EXPENSES

The Transferee Company shall bear the costs, charges and expenses, in connection with this Scheme, arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto.

For IIFL Wealth Advisors (India) Limited

R. Anil Kumar

Director/ Authorised Signatory

COMPOSITE SCHEME OF ARRANGEMENT
UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF
THE COMPANIES ACT, 2013
AMONGST
IIFL HOLDINGS LIMITED
AND
INDIA INFOLINE MEDIA & RESEARCH SERVICES LIMITED
AND
IIFL SECURITIES LIMITED
AND
IIFL WEALTH MANAGEMENT LIMITED
AND
INDIA INFOLINE FINANCE LIMITED
AND
IIFL DISTRIBUTION SERVICES LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS

A. BACKGROUND OF THE COMPANIES

- (i) **IIFL Holdings Limited**, the “**Demerged Company**” or “**Transferee Company 1**”, is a public listed company incorporated under the provisions of the Companies Act, 1956 under the corporate identity number L74999MH1995PLC093797. The Demerged Company is engaged, *inter alia*, in 1) Securities Business comprising the investment banking business. The Company’s investment banking business works closely with companies across their lifestyle offering a gamut of services ranging from equity capital markets, private equity, and M&A advisory services. The investment banking division works closely with companies to identify their funding needs and enables its clients to raise funds effectively through a variety of products such as IPOs, qualified institutions placements/preferential allotment, rights issues, FPOs and private/public placement of debt. The Company also advises unlisted companies in raising capital through private equity advisory services and strategic advisory services which involves placements, deal structuring and closure. The Securities Business also includes insurance broking, securities and commodities broking, real estate broking and advisory and portfolio management services business carried on through various subsidiaries; 2) Wealth Business includes the investment advisory business of the Demerged Company of providing investment advice to clients or other persons or group of persons relating to investing in, purchasing, selling or otherwise dealing in securities or investment products, and advice on investment portfolio containing securities or investment products and also includes wealth management services provided to high net worth individuals and corporate clients and media content advisory carried on through its subsidiaries; and 3) loan and mortgage business carried on through its subsidiaries.
- (ii) **India Infoline Media & Research Services Limited**, the “**Transferor Company 1**”, is an unlisted public company incorporated under the provisions of the Companies Act, 1956 under the corporate identity number U93090MH2006PLC165592. The Transferor Company 1 is engaged, *inter alia*, in the business of online distribution of media content. It is also focussed on research which provides media content advisory support to the broking, commodities, mutual fund and portfolio management services business. The Transferor Company 1 is a wholly owned subsidiary of the Transferee Company 1.
- (iii) **IIFL Securities Limited**, the “**Resulting Company 1**”, is an unlisted public company incorporated under the provisions of the Companies Act, 2013 under the corporate identity number U99999MH1996PLC132983. The Resulting Company 1 is one of the leading players in the financial services sector offering equity and currency broking, depository participant, portfolio management, distribution of mutual funds, bonds and other saving products. The Resulting Company 1 is a member of BSE Limited, National Stock Exchange of India Limited and Metropolitan Stock Exchange of India Limited. It is also registered with NSDL and CDSL as a depository participant, providing a one stop solution for clients trading in equities market. The Resulting Company 1 is a wholly owned subsidiary of the Demerged Company.
- (iv) **IIFL Wealth Management Limited**, the “**Resulting Company 2**” or “**Transferor Company 3**”, is an unlisted public company incorporated under the provisions of the Companies Act, 1956 under the corporate identity number U74140MH2008PLC177884. The Resulting Company 2 is registered as portfolio manager with Securities and Exchange Board of India since May 2008 and registered as a distributor of mutual funds with Association of Mutual Funds in India since March

2008. The Resulting Company 2 provides portfolio management and advisory services and acts as the wealth manager to high net worth individuals and corporate clients. It also carries on all kinds of distribution services for units of mutual funds, shares, stocks, debentures, bonds, government securities, insurance products, national savings certificates and such other financial, investment, personal loans, home loans products, securities & debt instruments. The Resulting Company 2 is a subsidiary of the Demerged Company.

- (v) **India Infoline Finance Limited**, the “**Transferor Company 2**”, is a public company incorporated under the provisions of the Companies Act, 1956 under the corporate identity number U67120MH2004PLC147365. The Transferor Company 2 is registered with the Reserve Bank of India as a Systemically Important Non-Banking Financial Company not accepting public deposits (NBFC-ND-SI). The Transferor Company 2 offers a broad suite of financial products such as mortgage loan, gold loan, loan against securities, commercial vehicle loan, loans to small and medium enterprise and healthcare finance to retail and corporate clients. It is also engaged in housing finance and microfinance business through its subsidiaries. The debentures of the Transferor Company 2 are listed on the Stock Exchanges.
- (vi) **IIFL Distribution Services Limited**, the “**Transferee Company 2**”, is an unlisted public company incorporated under the provisions of the Companies Act, 1956 under the corporate identity number U45201MH1995PLC228043. The Transferee Company 2 is engaged, *inter alia*, in the business of distribution of mutual funds and in providing manpower services to its associate companies. The Transferee Company 2 is a wholly owned subsidiary of the Transferor Company 3.

B. OVERVIEW AND OPERATION OF THIS SCHEME

This Scheme provides for:

- (i) the demerger, transfer and vesting of the Demerged Undertakings (*as defined hereinafter*) from the Demerged Company to the Resulting Companies (*as defined hereinafter*) on a going concern basis, and the consequent issue of shares by the Resulting Companies (*as defined hereinafter*) in the manner set out in this Scheme (*as defined hereinafter*) and other applicable provisions of Applicable Law;
- (ii) the amalgamation of the Transferor Company 1 with the Transferee Company 1 and amalgamation of the Transferor Company 2 with the Transferee Company 1, in the manner set out in this Scheme, and in accordance with the provisions of Sections 230 to 232 of the Act and other applicable provisions of Applicable Law;
- (iii) The transfer of Broking and Depository Participant Business from Transferor Company 3 to Transferee Company 2, in the manner set out in this Scheme, and in accordance with the provisions of Sections 230 to 232 of the Act and other applicable provisions of Applicable Law; and
- (iv) the reduction of the share capital of the Resulting Companies in the manner set out in this Scheme, and in accordance with Sections 230 to 232 read with Section 66, and other applicable provisions of the Act.

C. PARTS OF THIS SCHEME

This Scheme is divided into the following parts:

- (i) **PART I** deals with the definitions of capitalized terms used in this Scheme and the share capital of the Demerged Company, the Resulting Companies, the Transferor Companies and the Transferee Companies;
- (ii) **PART II** deals with the amalgamation of the Transferor Company 1 with the Transferee Company 1;
- (iii) **PART III** deals with the transfer and vesting of the Securities Business Undertaking from the Demerged Company into the Resulting Company 1 and the consideration thereof;
- (iv) **PART IV** deals with the transfer and vesting of the Wealth Business Undertaking from the Demerged Company into the Resulting Company 2 and the consideration thereof;
- (v) **PART V** deals with the amalgamation of the Transferor Company 2 with the Transferee Company 1;
- (vi) **PART VI** deals with the transfer of the Broking and Depository Participant Business from the Transferor Company 3 to the Transferee Company 2;
- (vii) **PART VII** deals with the reduction and cancellation of the existing equity share capital of the Resulting Company 1 held by the Demerged Company;
- (viii) **PART VIII** deals with the reduction and cancellation of the existing equity share capital of the Resulting Company 2 held by the Demerged Company; and
- (ix) **PART IX** deals with the general terms and conditions that would be applicable to this Scheme.

D. RATIONALE FOR THIS SCHEME

- (i) Over the course of time, the Demerged Company/ Transferee Company 1 has grown into a diversified financial conglomerate with interests in loans & mortgages, wealth management services, distribution of financial products and capital market services. Each of the core businesses have acquired critical mass, requiring flexibility and independence to grow faster in the fast-changing technology and innovation driven environment.
- (ii) Each core business has a differentiated strategy, different industry specific risks and operate *inter alia* under different market dynamics and growth trajectory. The nature and competition involved in each of the businesses is distinct from others and consequently each business or undertaking is capable of attracting a different set of investors, strategic partners, lenders and other stakeholders.
- (iii) Accordingly, the Demerged Company/ Transferee Company 1 proposes to re-organize and segregate, by way of a composite scheme of arrangement, its businesses and undertakings into three different listed verticals dealing in loans & mortgages business, wealth management services and capital market business. These listed entities will be subject to public, media, analysts and regulatory review. A clean

corporate structure with no cross holdings will ensure transparency, accountability, highest standards of corporate governance and compliance. It also enhances operational flexibility and helps quick response to competitive or environmental challenges.

- (iv) The proposed reorganisation pursuant to this Scheme is expected, *inter alia*, to result in the following benefits:
 - a) unlocking of value and create enhanced value for shareholders and allow a focused strategy in operations, which would be in the best interest of all the stakeholders; and
 - b) creation of listed entities specializing in loans & mortgages business, wealth management services and capital market business with ability to achieve valuation based on respective risk-return profile and cash flows, attracting the right investors and thus enhancing flexibility in accessing capital.
- (v) Further, each listed company can separately attract and motivate its key people with stock options such that their rewards are strongly correlated with their own business's performance and connect to the IIFL Group's philosophy of 'owner mindset', which believes in shared ownership and shared accountability by all team members.

PART I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

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

“Act” means the Companies Act, 2013 and shall include any other statutory amendment or re-enactment or restatement and the rules and/ or regulations and/ or other guidelines or notifications under Applicable Laws, made thereunder from time to time;

“Appointed Date 1” means opening of business hours of 1 April 2017;

“Appointed Date 2” means opening of business hours of 1 April 2018;

“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 agreement executed with the Stock Exchanges in the case of Demerged Company;

“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), SEBI (*as defined hereinafter*), RBI (*as defined hereinafter*), the Tribunal (*as defined hereinafter*); and
- (d) any Stock Exchange.

“Board” in relation to each of Resulting Companies, Transferor Companies and Transferee Companies, means the board of directors of such company, and shall include a committee of directors or any person authorized by the board of directors or such committee of directors duly constituted and authorized for the purposes of matters pertaining to the amalgamation, transfer and demerger, this Scheme or any other matter relating thereto;

“Broking and Depository Participant Business Undertaking” means all the retail broking, research analyst and securities trading and depository participant business and ancillary and support services in relation thereto of the Transferor Company 3 together with all the undertakings, assets, properties, investments and liabilities of whatsoever nature and kind, and wheresoever situated, of the Transferor Company 3, in relation to and pertaining to the broking and depository participant business and shall include (without limitation):

- (a) all the movable and immovable properties, tangible or intangible, including all computers and accessories, software, applications and related data, equity shares, preference shares, furniture, fixtures, vehicles, stocks and inventory, leasehold assets and other properties, real, corporeal and incorporeal, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, cash in hand, amounts lying in the banks, investments, escrow accounts, claims, powers, authorities, allotments, approvals, consents, letters of intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, advantages, freehold/ leasehold rights, brands, sub-letting tenancy rights, leave and license permissions, goodwill, other intangibles, licenses, approvals, permits, authorisations, trademarks, trade names, patents, patent rights, copyrights, and other intellectual properties and rights of any nature whatsoever including know-how, websites, portals, domain names, or any applications for the above, assignments and grants in respect thereof, right to use and avail of telephones, telex, facsimile, email, internet, leased lines and other communication facilities, connections, installations and equipment, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds, and benefits (including all work-in progress), of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, semi-government, local authorities or any other Person including customers, contractors or other counter parties, etc., all earnest monies and/ or deposits, privileges, liberties, easements, advantages,

benefits, exemptions, licenses, privileges and approvals of whatsoever nature and wheresoever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Transferor Company 3 in relation to and pertaining to the broking and depository participant business;

- (b) registrations and memberships of the Transferor Company 3 with BSE Limited, and National Stock Exchange of India Limited and the stock broking, depository participant and the research analyst license. It shall also include any and all memberships and registrations of the Transferor Company 3 in relation to and pertaining to the broking and depository participant business;
- (c) all receivables, loans and advances, including accrued interest thereon, all advance payments, earnest monies and/ or security deposits, payment against warrants, if any, or other entitlements of the Transferor Company 3 in relation to and pertaining to the broking and depository participant business;
- (d) all contracts, agreements, purchase orders/ service orders, agreement with customers, purchase and other agreements with the supplier/ service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims and clearances and other instruments of whatsoever nature and description including all client registration forms/ KYC/ POA, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the broking and depository participant business;
- (e) all the debts, liabilities, duties and obligations including contingent liabilities of the Transferor Company 3 in relation to and pertaining to the broking and depository participant business; and
- (f) all books, records, files, papers, records of standard operating procedures, computer programs along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form, in connection with or relating to the broking and depository participant business of the Transferor Company 3.

It is clarified that the question of whether a specified asset or liability pertains to the Broking and Depository Participant Business Undertaking or arises out of the activities or operations of Broking and Depository Participant Business Undertaking shall be decided by the Board of the Transferor Company 3.

“Demerged Company” or **“Transferee Company 1”** means IIFL Holdings Limited, a public listed company incorporated under the provisions of the Indian Companies Act, 1956 under the corporate identity number L74999MH1995PLC093797 and having its registered office at IIFL House, Sun Infotech Park, Road No. 16V, Plot No.B-23, Thane Industrial Area, Wagle Estate Thane, Maharashtra 400604;

“Demerged Undertakings” means collectively, the Securities Business Undertaking and the Wealth Business Undertaking;

“Effective Date” means the day on which the last of the approvals/ conditions specified in Clause 56 (Conditions Precedent) of this Scheme are obtained or complied with. Reference in

this Scheme to the date of “**coming into effect of this Scheme**” or “**effectiveness of this Scheme**” 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;

“**EPF Act**” means the Employees Provident Fund and Miscellaneous Provisions Act, 1952;

“**IIFL ESOS**” means the Employee Stock Option Scheme 2007 and 2008 of the Demerged Company framed under the Securities and Exchange Board of India (Employee Stock Options Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and aligned with the provisions of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

“**India Infoline Finance ESOP**” means the Employee Stock Option Plan – 2015 of the Transferor Company 2;

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

“**IT Act**” means the Income Tax act, 1961;

“**Parties**” shall mean collectively the Demerged Company, the Resulting Companies, Transferor Companies and the Transferee Companies 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 of India, 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;

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

“**Record Date**” means the date to be fixed by the Board of the Demerged Company/ Transferee Company 1 in consultation with the respective Resulting Companies for the purpose of determining the shareholders of the Demerged Company/ Transferee Company 1 for issue of the equity shares, pursuant to this Scheme. It is clarified that different Record Dates could be declared for different parts of the Scheme;

“**Remaining Business**” means all the business, units, divisions, undertakings and assets and

liabilities of the Demerged Company other than those forming part of the Demerged Undertakings. It is clarified that post transfer of the Securities Business Undertaking and the Wealth Business Undertaking and prior to the amalgamation of the Transferor Company 2 with the Transferee Company 1, the Remaining Business shall constitute only the loan and mortgage business carried on by the Demerged Company through its subsidiary, the Transferor Company 2;

“Resulting Companies” means collectively, the Resulting Company 1 and Resulting Company 2;

“Resulting Company 1” means IIFL Securities Limited, a public company incorporated under the provisions of the Companies Act, 1956 under the corporate identity number U99999MH1996PLC132983, having its registered office at IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane, Maharashtra 400604. The Resulting Company 1 is a wholly owned subsidiary of the Demerged Company;

“Resulting Company 2” or **“Transferor Company 3”** means IIFL Wealth Management Limited, a public company incorporated under the provisions of the Companies Act, 1956 under the corporate identity number U74140MH2008PLC177884 having its registered office at IIFL Centre, Kamala City Senapati Bapat Marg, Lower Parel, Mumbai 400013. The Resulting Company 2 is a subsidiary of the Demerged Company;

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

“Scheme” means this composite scheme of arrangement, with or without any modification approved or imposed or directed by the Tribunal;

“SEBI” means the Securities and Exchange Board of India;

“SEBI Circular” shall mean the circular issued by the SEBI, being Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017, and any amendments thereof, modifications issued pursuant to regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015;

“Securities Business Undertaking” means all the securities and investment banking business (including such trademarks listed in Schedule 1) and ancillary and support services in relation thereto of the Demerged Company together with all the undertakings, assets, properties, investments and liabilities of whatsoever nature and kind, and wheresoever situated, of the Demerged Company, in relation to and pertaining to the securities and merchant banking business and shall include (without limitation):

- (a) all the movable and immovable properties, tangible or intangible, including all computers and accessories, software, applications and related data, equity shares, preference shares and other securities of associate/ subsidiary/ joint venture companies (except investment in Transferor Company 1, Resulting Company 2 and Transferor Company 2), furniture, fixtures, vehicles, stocks and inventory, leasehold assets and other properties, real, corporeal and incorporeal, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, cash in hand, amounts lying in the banks, investments, escrow accounts, claims, powers, authorities, allotments, approvals, consents, letters of

intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, advantages, freehold/ leasehold rights, brands, sub-letting tenancy rights, leave and license permissions, goodwill, other intangibles, licenses, approvals, permits, authorisations, trademarks, trade names, patents, patent rights, copyrights, and other intellectual properties and rights of any nature whatsoever including know-how, websites, portals, domain names, or any applications for the above, assignments and grants in respect thereof, right to use and avail of telephones, telex, facsimile, email, internet, leased lines and other communication facilities, connections, installations and equipment, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds, and benefits (including all work-in progress), of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, semi-government, local authorities or any other Person including customers, contractors or other counter parties, etc., all earnest monies and/ or deposits, privileges, liberties, easements, advantages, benefits, exemptions, licenses, privileges and approvals of whatsoever nature and wheresoever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Demerged Company in relation to and pertaining to the securities and investment banking business;

- (b) registrations and memberships of the Demerged Company in relation to and pertaining to the securities and investment banking business including the merchant banking license with SEBI;
- (c) all receivables, loans and advances, including accrued interest thereon, all advance payments, earnest monies and/ or security deposits, payment against warrants, if any, or other entitlements of the Demerged Company in relation to and pertaining to the securities and investment banking business;
- (d) all contracts, agreements, purchase orders/ service orders, agreement with customers, purchase and other agreements with the supplier/ service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims and clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the securities and investment banking business;
- (e) all the debts, liabilities, duties and obligations including contingent liabilities of the Demerged Company in relation to and pertaining to the securities and investment banking business; and
- (f) all books, records, files, papers, records of standard operating procedures, computer programs along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form, in connection with or relating to the securities and investment banking business.

It is clarified that the question of whether a specified asset or liability pertains to the Securities Business Undertaking or arises out of the activities or operations of Securities Business Undertaking shall be decided by the Board of the Demerged Company.

“Stock Exchanges” means BSE Limited (“**BSE**”) and National Stock Exchange of India Limited

("NSE"), as the case may be;

"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, minimum alternate tax or otherwise or attributable directly or primarily to the Demerged Company, the Resulting Companies, 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 Companies" means the Transferee Company 1 and the Transferee Company 2;

"Transferee Company 2" means IIFL Distribution Services Limited, a public company, incorporated under the provisions of the Companies Act, 1956, under corporate identity number U45201MH1995PLC228043 and having its registered office at IIFL Centre, Kamala City Senapati Bapat Marg, Lower Parel, Mumbai 400013. The Transferee Company 2 is a wholly owned subsidiary of the Resulting Company 2;

"Transferor Companies" means the Transferor Company 1, the Transferor Company 2 and the Transferor Company 3;

"Transferor Company 1" means India Infoline Media & Research Services Limited, a public company, incorporated under the provisions of the Companies Act, 1956, under corporate identity number U93090MH2006PLC165592 and having its registered office at IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, Thane Industrial Area, Wagle Estate, Thane, Maharashtra 400604;

"Transferor Company 2" means India Infoline Finance Limited, a public company, incorporated under the provisions of the Companies Act, 1956, under corporate identity number U67120MH2004PLC147365 and having its registered office at 12A-10, 13th Floor, Parinee Crescenzo, G Block, C-38&39, Bandra Kurla Complex, Bandra- East, Mumbai, Maharashtra 400051. The Transferor Company 2 is a subsidiary of the Demerged Company;

"Tribunal" means the Mumbai Bench of the National Company Law Tribunal having jurisdiction over the Demerged Company, the Resulting Companies, the Transferor Companies and the Transferee Companies, as the case may be; and

"Wealth Business Undertaking" means the investment advisory and media and research business and ancillary and support services in relation thereto of the Demerged Company together with all the undertakings, assets, properties, investments and liabilities of whatsoever nature and kind, and wheresoever situated, of the Demerged Company, in relation thereto and shall include (without limitation):

- (a) all the movable and immovable properties, tangible or intangible, including all computers and accessories, software, applications and related data, equity shares, preference shares and other securities, furniture, fixtures, vehicles, stocks and inventory, leasehold assets and other properties, real, corporeal and incorporeal, in possession or reversion, present and contingent assets (whether tangible or

intangible) of whatsoever nature, cash in hand, amounts lying in the banks, investments, escrow accounts, claims, powers, authorities, allotments, approvals, consents, letters of intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, advantages, freehold/ leasehold rights, brands, sub-letting tenancy rights, leave and license permissions, goodwill, other intangibles, licenses, approvals, permits, authorisations, trademarks, trade names, patents, patent rights, copyrights, and other intellectual properties and rights of any nature whatsoever including know-how, websites, portals, domain names, or any applications for the above, assignments and grants in respect thereof, right to use and avail of telephones, telex, facsimile, email, internet, leased lines and other communication facilities, connections, installations and equipment, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds, and benefits (including all work-in progress), of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, semi-government, local authorities or any other Person including customers, contractors or other counter parties, etc., all earnest monies and/ or deposits, privileges, liberties, easements, advantages, benefits, exemptions, licenses, privileges and approvals of whatsoever nature and wheresoever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Demerged Company in relation to and pertaining to the investment advisory and media and research business;

- (b) registrations and memberships of the Demerged Company pertaining to the investment advisory and media and research business including the investment advisory license with SEBI;
- (c) all receivables, loans and advances, including accrued interest thereon, all advance payments, earnest monies and/ or security deposits, payment against warrants, if any, or other entitlements of the Demerged Company in relation to and pertaining to the investment advisory and media and research business;
- (d) all contracts, agreements, purchase orders/ service orders, agreement with customers, purchase and other agreements with the supplier/ service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims and clearances and other instruments of whatsoever nature and description including all client registration forms/ KYC/ POA, whether written, oral or otherwise and all rights, title, interests, claims and benefits thereunder pertaining to the investment advisory and media and research business;
- (e) all the debts, liabilities, duties and obligations including contingent liabilities of the Demerged Company in relation to and pertaining to the investment advisory and media and research business; and
- (f) all books, records, files, papers, records of standard operating procedures, computer programs along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form, in connection with or relating to the investment advisory and media and research business.

It is clarified that the question of whether a specified asset or liability pertains to the Wealth Business Undertaking or arises out of the activities or operations of Wealth Business

Undertaking shall be decided by the Board of the Demerged Company.

1.2 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 reference to a document includes an amendment or supplement to, or replacement or novation of, that document; and
- 1.2.7 word(s) and expression(s) elsewhere defined in this Scheme will have the meaning(s) respectively ascribed to them.

2. SHARE CAPITAL

2.1 The share capital of the Demerged Company/ Transferee Company 1 as on 30 January 2018 is as follows:

Particulars	INR
Authorised Share Capital	
600,000,000 equity shares of INR 2 each	1,200,000,000
Total	1,200,000,000
Issued, Subscribed and Paid Up Capital	
318,475,556 equity shares of INR 2 each	636,951,112
Total	636,951,112

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Demerged Company/ Transferee Company 1 till the date of approval of the Scheme by the Board of the Demerged Company/ Transferee Company 1.

The Demerged Company/ Transferee Company 1 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 Demerged Company/ Transferee Company 1.

The equity shares of the Demerged Company/ Transferee Company 1 are listed on Stock Exchanges.

2.2 The share capital of the Transferor Company 1 as on 30 January 2018 is as follows:

Particulars	INR
Authorised Share Capital	
50,000 equity shares of INR 10 each	500,000
36,000,000 preference shares of INR 10 each	360,000,000
Total	360,500,000
Issued, Subscribed and Paid-up Capital	
50,000 equity shares of INR 10 each	500,000
Total	500,000

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Transferor Company 1 till the date of approval of the Scheme by the Board of the Transferor Company 1.

The Transferor Company 1 is a wholly owned subsidiary of the Demerged Company/ Transferee Company 1. The equity shares of the Transferor Company are not listed on Stock Exchanges or on any other stock exchange in India or elsewhere.

2.3 The share capital of the Resulting Company 1 as on 30 January 2018 is as follows:

Particulars	INR
Authorised Share Capital	
20,000,100 equity shares of INR 10 each	200,001,000
Total	200,001,000
Issued, Subscribed and Paid-up Capital	
18,718,281 equity shares of INR 10 each	187,182,810
Total	187,182,810

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Resulting Company 1 till the date of approval of the Scheme by the Board of the Resulting Company 1.

The Resulting Company 1 is a wholly owned subsidiary of the Demerged Company/ Transferee Company 1. The equity shares of the Resulting Company 1 are not listed on Stock Exchanges or on any other stock exchange in India or elsewhere.

The Resulting Company 1 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 Resulting Company 1.

- 2.4 The share capital of the Resulting Company 2/ Transferor Company 3 as on 30 January 2018 is as follows:

Particulars	INR
Authorised Share Capital	
85,000,000 equity shares of INR 2 each	170,000,000
Total	170,000,000
Issued, Subscribed and Paid-up Capital	
79,753,463 equity shares of INR 2 each	159,506,926
Total	159,506,926

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Resulting Company 2/ Transferor Company 3 till the date of approval of the Scheme by the Board of the Resulting Company 2/ Transferor Company 3.

The Resulting Company 2/ Transferor Company 3 is a subsidiary of the Demerged Company/ Transferee Company 1. The equity shares of the Resulting Company 2/ Transferor Company 3 are not listed on Stock Exchanges or on any other stock exchange in India or elsewhere.

The Resulting Company 2/ Transferor Company 3 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 Resulting Company 2/ Transferor Company 3.

- 2.5 The share capital of the Transferor Company 2 as on 30 January 2018 is as follows:

Particulars	INR
Authorised Share Capital	
300,000,000 equity shares of INR 10 each	3,000,000,000
1,999,600 equity shares of INR 100 each	199,960,000
400 preference shares of INR 100 each	40,000
575,000,000 preference shares of INR 10 each	5,750,000,000
Total	8,950,000,000
Issued, Subscribed and Paid-up Capital	
237,378,672 equity shares of INR 10 each	2,373,786,720
4,33,34,409 0.01% compulsorily convertible preference shares of INR 10 each	433,344,090
Total	2,807,130,810

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Transferor Company 2 till the date of approval of the Scheme by the Board of the Transferor Company 2.

The Transferor Company 2 is a subsidiary of the Demerged Company/ Transferee Company 1. The equity shares of the Transferor Company are not listed on Stock Exchanges or on any other stock exchange in India or elsewhere.

The Transferor Company 2 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 Transferor Company 2.

2.6 The share capital of the Transferee Company 2 as on 30 January 2018 is as follows:

Particulars	INR
Authorised Share Capital	
10,000 equity shares of INR 100 each	1,000,000
Total	1,000,000
Issued, Subscribed and Paid-up Capital	
5,120 equity shares of INR 100 each	512,000
Total	512,000

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid up share capital of the Transferee Company 2 till the date of approval of the Scheme by the Board of the Transferee Company 2.

The Transferee Company 2 is a wholly owned subsidiary of the Transferor Company 3/ Resulting Company 2. The equity shares of the Transferee Company 2 are not listed on Stock Exchanges or on any other stock exchange in India or elsewhere.

3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

3.1 This Scheme set out herein in its present form or with any modification(s) and amendment(s) made under Clause 55 of this Scheme duly approved or imposed or directed by the Tribunal shall be effective from the Appointed Date 1 or Appointed Date 2, as the case may be, but shall be operative from the Effective Date. Therefore, for all regulatory and tax purposes the respective parts of the Scheme would be effective from the Appointed Date 1 or the Appointed Date 2, as the case may be, of this Scheme. Notwithstanding the above, the accounting treatment to be adopted (as set out under the Scheme) to give effect to the provisions of the Scheme would be in consonance with applicable accounting standards including Indian Accounting Standards 103 ("**Ind AS 103**"), as may be applicable, and the mere adoption of such accounting treatment will not in any manner affect the transfer and vesting from the Appointed Date 1 or the Appointed Date 2, as the case may be, and set out in the respective parts of the Scheme.

PART II

AMALGAMATION OF TRANSFEROR COMPANY 1 WITH TRANSFEREE COMPANY 1

4. TRANSFER OF ASSETS AND LIABILITIES

4.1 With effect from the Appointed Date 1 and subject to the provisions of this Scheme and pursuant to Section 232 of the Act and Section 2(1B) of the IT Act, the Transferor Company 1

shall stand amalgamated with the Transferee Company 1 as a going concern and all assets, liabilities, contracts, arrangements, employees, permits, licences, records, approvals, etc. of the Transferor Company 1 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 1, so as to become as and from the Appointed Date 1, the assets, liabilities, contracts, arrangements, employees, permits, licences, records, approvals, etc. of the Transferee Company 1 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, upon Part II of the Scheme becoming effective and with effect from the Appointed Date 1:

4.2.1 with respect to the assets of the Transferor Company 1 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 1 by operation of law without any further act or execution of an instrument with the intent of vesting such assets with the Transferee Company 1 as on the Appointed Date 1;

4.2.2 subject to Clause 4.2.3 below, with respect to the assets of the Transferor Company 1, 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), investments in shares, 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 and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, whether or not the same is held in the name of the Transferor Company 1 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 1, with effect from the Appointed Date 1, by operation of law as transmission or as the case may be in favour of Transferee Company 1;

4.2.3 all debts, liabilities, duties and obligations (debentures, bonds, notes or other debt securities) of the Transferor Company 1 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 1, so as to become on and from the Appointed Date 1, the debts, liabilities, duties and obligations of the Transferee Company 1 on the same terms and conditions as were applicable to the Transferor Company 1, 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;

4.2.4 the vesting of the entire undertaking of the Transferor Company 1, 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 1 or part thereof on or over which they are subsisting on and vesting of such assets in Transferee Company 1 and no such Encumbrances shall extend over or apply to any other asset(s) of Transferee Company 1. Any reference in any security documents or arrangements (to which Transferor Company 1 is a party) related to any assets of Transferor Company 1 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 1. Similarly, Transferee

Company 1 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 Transferor Company 1 shall not extend or be deemed to extend or apply to the assets so vested;

- 4.2.5 Taxes, if any, paid or payable by the Transferor Company 1 after the Appointed Date 1 shall be treated as paid or payable by the Transferee Company 1 and the Transferee Company 1 shall be entitled to claim the credit, refund or adjustment for the same as may be applicable;
- 4.2.6 if the Transferor Company 1 is entitled to any unutilized credits (including balances or advances), benefits, subsidies, grants, special status and other benefits or privileges of whatsoever nature under the incentive schemes and policies including tax holiday or concessions under any Tax Laws or Applicable Laws, the Transferee Company 1 shall be entitled as an integral part of the Scheme to claim such benefit or incentives or unutilised credits as the case may be automatically without any specific approval or permission;
- 4.2.7 upon Part II of the Scheme becoming effective, the Transferor Company 1 and / or the Transferee Company 1 shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/ or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme;
- 4.2.8 it is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., the Transferor Company 1, shall, if so required by the Transferee Company 1, issue notices in such form as the Transferee Company 1 may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company 1, as the person entitled thereto, to the end and intent that the right of the Transferor Company 1, to recover or realise the same, stands transferred to the Transferee Company 1 and that appropriate entries should be passed in their respective books to record the aforesaid changes;
- 4.2.9 On and from the Effective Date and till such time that the name of the bank accounts of the Transferor Company 1 has been replaced with that of the Transferee Company 1, the Transferee Company 1 shall be entitled to maintain and operate the bank accounts of the Transferor Company 1 in the name of the Transferor Company 1 and for such time as may be determined to be necessary by the Transferee Company 1. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company 1 after the Effective Date shall be accepted by the bankers of the Transferee Company 1 and credited to the account of the Transferee Company 1, if presented by the Transferee Company 1; and
- 4.2.10 without prejudice to the foregoing provisions of Clause 4.2, and upon the effectiveness of Part II of the Scheme, the Transferor Company 1, and the Transferee Company 1 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 1 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.

5. PERMITS

With effect from the Appointed Date 1, all the Permits held or availed of by, and all rights and benefits that have accrued to, the Transferor Company 1, 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 1 so as to become as and from the Effective Date, the Permits, estates, assets, rights, title, interests and authorities of the Transferee Company 1 and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in Applicable Laws. Upon the Appointed Date 1 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 1, the Transferee Company 1 is authorized to carry on business in the name and style of the Transferor Company 1 and under the relevant license and/ or permit and/ or approval, as the case may be, and the Transferee Company 1 shall keep a record and/ or account of such transactions.

6. CONTRACTS

- 6.1 Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature, subsisting or having effect on or immediately before the Appointed Date 1, to which the Transferor Company 1 is a party shall remain in full force and effect against or in favour of the Transferee Company 1 and shall be binding on and be enforceable by and against the Transferee Company 1 as fully and effectually as if the Transferee Company 1 had at all material times been a party thereto. The Transferee Company 1 will, if required, enter into novation agreement(s) in relation to such contracts, deeds, bonds, agreements, arrangements and other instruments as stated above. Any *inter-se* contracts between the Transferor Company 1 on the one hand and the Transferee Company 1 on the other hand shall stand cancelled and cease to operate upon the effectiveness of Part II of this Scheme.
- 6.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the assets and liabilities of the Transferor Company 1 occurs by virtue of this Scheme, the Transferee Company 1 may, at any time after Part II of the Scheme coming into effect, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Company 1 is a party or any writings as may be necessary in order to give effect to the provisions of this Scheme. The Transferee Company 1 shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company 1 to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company 1.
- 6.3 On and from the Effective Date, and thereafter, the Transferee Company 1 shall be entitled to complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Transferor Company 1 in the name of the Transferor Company 1 in so far as may be necessary until the transfer of rights and obligations of the

Transferor Company 1, to the Transferee Company 1 under this Scheme has been given effect to under such contracts and transactions.

7. EMPLOYEES

- 7.1 On Part II of the Scheme becoming effective, all employees of the Transferor Company 1 in service on the Effective Date, shall be deemed to have become employees of the Transferee Company 1 with effect from the Appointed Date 1 or their respective joining date, whichever is later, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company 1 shall not be less favourable than those applicable to them with reference to the Transferor Company 1 on the Effective Date. The Transferee Company 1 undertakes to continue to abide by any agreement/settlement, if any, validly entered into by the Transferor Company 1 with any union/employee of the Transferor Company 1 recognized by the Transferor Company 1. 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 1 are members shall be transferred to such provident fund, gratuity fund and superannuation fund of the Transferee Company 1 or to be established and caused to be recognized by the appropriate authorities, by the Transferee Company 1.
- 7.2 Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the employees of the Transferor Company 1 would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Company 1.
- 7.3 Upon transfer of the aforesaid funds to the respective funds of the Transferee Company 1, the existing trusts created for such funds by the Transferor Company 1 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 1 will be treated as having been continuous, uninterrupted and taken into account for the purpose of the said fund or funds.
- 7.4 Without prejudice to the aforesaid, the Board of the Transferee Company 1, if it deems fit and subject to applicable laws, shall be entitled to retain separate trusts or funds within the Transferee Company 1 for the erstwhile fund(s) of the Transferor Company 1.

8. LEGAL PROCEEDINGS

If any suit, cause of actions, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatever nature (hereinafter called the “**Proceedings**”) by or against the Transferor Company 1 is pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the amalgamation or of anything contained in this Scheme, but the Proceedings may be continued, prosecuted and enforced by or against the Transferee Company 1 in the same manner and to the same extent as it would have been continued, prosecuted and enforced by or against the Transferor Company 1 as if this Scheme had not been made. On and from the Effective Date, the Transferee Company 1 may initiate any legal proceeding for and on behalf of the Transferor Company 1.

9. COMBINATION OF AUTHORISED CAPITAL

Upon Part II of the Scheme becoming effective, the authorised share capital of the Transferee Company 1 shall stand increased without any further act, instrument or deed on the part of

Transferee Company 1 including payment of stamp duty and fees to Registrar of Companies, by the authorised share capital of the Transferor Company 1 amounting to INR 360,500,000 (Thirty Six Crore and Five Lakh Only) and the consent of the shareholders of the Transferee Company 1 to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duty and fees paid on the authorized capital of the Transferor Company 1 shall be utilized and applied to the increased authorized share capital of the Transferee Company 1 and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company 1 for increase in the authorised share capital to that extent.

10. CONSIDERATION

- 10.1 The Transferor Company 1 is a wholly owned subsidiary of the Transferee Company 1 and therefore there shall be no issue of shares by the Transferor Company 1 as consideration for the amalgamation of the Transferor Company 1 with the Transferee Company 1.
- 10.2 Upon Part II of this Scheme becoming effective, all equity shares of the Transferor Company 1 held by the Transferee Company 1 (held either directly or through its nominees) shall stand cancelled without any further application, act or deed.

11. ACCOUNTING TREATMENT BY THE TRANSFEE COMPANY 1 IN ITS BOOKS OF ACCOUNTS

On the Scheme taking effect, the Transferee Company 1 shall account for amalgamation of the Transferor Company 1 with the Transferee Company 1 in its books of account as per the pooling of interest method in accordance with the accounting standards prescribed under section 133 of the Act with effect from the Appointed Date 1, being the beginning of the preceding period in the financial statements.

12. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon the coming into effect of Part II of this Scheme, the resolutions/ power of attorneys executed by the Transferor Company 1, as are considered necessary by the Board of the Transferor Company 1, and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed/ executed by the Transferee Company 1, and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then such limits as are considered necessary by the Board of the Transferee Company 1 shall be added to the limits, if any, under like resolutions passed by the Transferee Company 1 and shall constitute the new aggregate limits for each of the subject matters covered under such resolutions/power of attorneys for the purpose of Transferee Company 1.

13. DISSOLUTION OF TRANSFEROR COMPANY 1

On Part II of this Scheme becoming effective, the Transferor Company 1 shall stand dissolved without winding up. On and from the Effective Date, the name of the Transferor Company 1 shall be struck off from the records of the concerned RoC.

PART III

DEMERGER AND VESTING OF THE SECURITIES BUSINESS UNDERTAKING

14. DEMERGER AND VESTING OF THE SECURITIES BUSINESS UNDERTAKING

- 14.1 Upon Part III of the Scheme becoming effective and with effect from the Appointed Date 2, and subject to the provisions of this Scheme and pursuant to Sections 230 to 232 of the Act and Section 2(19AA) of the IT Act, the Securities Business Undertaking along with all its assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc. shall, without any further act, instrument or deed, be demerged from Demerged Company and transferred to and be vested in or be deemed to have been vested in the Resulting Company 1 as a going concern so as to become the assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc. of the Resulting Company 1 by virtue of, and in the manner provided in this Scheme, on and from the Appointed Date 2.
- 14.2 In respect of such of the assets and properties forming part of the Securities Business Undertaking as are movable in nature or are otherwise capable of transfer by delivery or possession, or by endorsement and/ or delivery, the same shall stand transferred by the Demerged Company upon coming into effect of this Scheme and shall, *ipso facto* and without any other order to this effect, become the assets and properties of the Resulting Company 1.
- 14.3 Subject to Clause 14.4 below, with respect to the assets of the Securities Business Undertaking, other than those referred to in Clause 14.2 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, whether or not the same is held in the name of the Demerged 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 Resulting Company 1, with effect from the Appointed Date 2 by operation of law as transmission or as the case may be in favour of Resulting Company 1. With regard to the licenses of the properties, the Resulting Company 1 will enter into novation agreements, if it is so required.
- 14.4 Without prejudice to the aforesaid, the Securities Business Undertaking, including all immoveable property, whether or not included in the books of the Demerged Company, whether freehold or leasehold (including but not limited to land, buildings, sites, tenancy rights related thereto, and immovable properties and any other document of title, rights, interest and easements in relation thereto) of the Securities Business Undertaking shall stand transferred to and be vested in the Resulting Company 1, without any act or deed to be done or executed by the Demerged Company and/ or the Resulting Company 1.
- 14.5 Notwithstanding anything contained in this Scheme, the immovable properties of the Demerged Company situated within the state of Gujarat and such other states in relation to the Securities Business Undertaking as the Resulting Company 1 may determine, whether owned or leased, whether executed before or after the Effective Date, for the purpose *inter alia* payment of stamp duty, and vesting unto the Resulting Company 1 and if the Resulting Company 1 so decides, the concerned parties, shall execute and register or cause so to be done, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Resulting Company 1 in respect of such immovable properties. Each of the

immovable properties, only for the payment of stamp duty, shall be deemed to be conveyed at a consideration being the fair market value of such properties (arrived at by a government approved independent valuer). The execution of such conveyance shall form an integral part of the Scheme.

- 14.6 The Demerged Company shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred to and vested in the Resulting Company 1 and that appropriate modification should be made in their respective books/ records to reflect the aforesaid changes.
- 14.7 Upon effectiveness of Part III of the Scheme, all debts, liabilities, loans, obligations and duties of the Demerged Company as on the Appointed Date 2 and relatable to the Securities Business Undertaking ("**Transferred Securities Business Liabilities**") shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Resulting Company 1 to the extent that they are outstanding as on the Appointed Date 2 and the Resulting Company 1 shall meet, discharge and satisfy the same. The term "**Transferred Securities Business Liabilities**" shall include:
- 14.7.1 the debts, liabilities obligations incurred and duties of any kind, nature or description (including contingent liabilities) which arise out of the activities or operations of the Securities Business Undertaking;
- 14.7.2 the specific loans or borrowings (including debentures bonds, notes and other debt securities raised, incurred and utilized solely for the activities or operations of the Securities Business Undertaking); and
- 14.7.3 in cases other than those referred to in Clauses 14.7.1 or 14.7.2 above, so much of the amounts of general or multipurpose borrowings, if any, of the Demerged Company, as stand in the same proportion which the value of the assets transferred pursuant to the demerger of the Securities Business Undertaking bear to the total value of the assets of the Demerged Company immediately prior to the Appointed Date 2.

However, the tax liabilities and tax demands or refunds received or to be received by the Demerged Company for a period prior to the Appointed Date 2 in relation to the Demerged Company shall not be transferred as part of the Securities Business Undertaking to Resulting Company 1.

- 14.8 In so far as any Encumbrance in respect of Transferred Securities Business Liabilities is concerned, such Encumbrance shall, without any further act, instrument or deed being required to be modified and, if so agreed, shall be extended to and shall operate over the assets of the Resulting Company 1. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Business are concerned, the Encumbrance, if any, over such assets relating to the Transferred Securities Business Liabilities, without any further act, instrument or deed being required, be released and discharged from the obligations and Encumbrances relating to the same. Further, in so far as the assets comprised in the Securities Business Undertaking are concerned, the Encumbrance over such assets relating to any loans, borrowings or other debts which are not transferred to the Resulting Company 1 pursuant to this Scheme and which shall continue with the Demerged Company, shall without any further act or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities.

- 14.9 Taxes, if any, paid or payable by the Demerged Company after the Appointed Date 2 and specifically pertaining to Securities Business Undertaking shall be treated as paid or payable by the Resulting Company 1 and the Resulting Company 1 shall be entitled to claim the credit, refund or adjustment for the same as may be applicable.
- 14.10 If the Demerged Company is entitled to any unutilized credits (including balances or advances), benefits under the incentive schemes and policies including tax holiday or concessions relating to the Securities Business Undertaking under any Tax Laws or Applicable Laws, the Resulting Company 1 shall be entitled as an integral part of the Scheme to claim such benefit or incentives or unutilised credits, as the case may be, without any specific approval or permission.
- 14.11 Upon the Scheme becoming effective, the Demerged Company and the Resulting Company 1 shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme.
- 14.12 Subject to Clause 14 and any other provisions of the Scheme, any refunds, benefits, incentives, grants, subsidies in relation to or in connection with the Securities Business Undertaking, the Demerged Company shall, if so required by the Resulting Company 1, issue notices in such form as the Resulting Company 1 may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Resulting Company 1, as the person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same, stands transferred to the Resulting Company 1 and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 14.13 On and from the Effective Date and till such time that the name of the bank accounts of the Demerged Company, in relation to or in connection with the Securities Business Undertaking, have been replaced with that of the Resulting Company 1, the Resulting Company 1 shall be entitled to maintain and operate the bank accounts of the Demerged Company, in the name of the Demerged Company for such time as may be determined to be necessary by the Resulting Company 1. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company, in relation to or in connection with the Securities Business Undertaking, after the Effective Date shall be accepted by the bankers of the Resulting Company 1 and credited to the account of the Resulting Company 1, if presented by the Resulting Company 1.
- 14.14 Without prejudice to the provisions of the foregoing sub clauses of this Clause 14, and upon the effectiveness of this Scheme, the Demerged Company and the Resulting Company 1 shall be entitled to apply to the Appropriate Authorities as are necessary under any law for such consents, approvals and sanctions which the Resulting Company 1 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 Scheme.

15. PERMITS

- 15.1 With effect from the Appointed Date 2, Permits relating to the Securities Business Undertaking shall be transferred to and vested in the Resulting Company 1 and the concerned licensor and

grantors of such Permits shall endorse where necessary, and record the Resulting Company 1 on such Permits so as to empower and facilitate the approval and vesting of the Securities Business Undertaking in the Resulting Company 1 and continuation of operations pertaining to the Securities Business Undertaking in the Resulting Company 1 without any hindrance, and shall stand transferred to and vested in and shall be deemed to be transferred to and vested in the Resulting Company 1 without any further act or deed and shall be appropriately mutated by the Appropriate Authorities concerned therewith in favour of the Resulting Company 1 as if the same were originally given by, issued to or executed in favour of the Resulting Company 1 and the Resulting Company 1 shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Resulting Company 1.

- 15.2 The benefit of all Permits pertaining to the Securities Business Undertaking shall without any other order to this effect, transfer and vest into and become available to the Resulting Company 1 pursuant to the sanction of this Scheme.

16. CONTRACTS

- 16.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments in relation to the Securities Business Undertaking, to which the Demerged Company is a party and which is subsisting or having effect on or immediately before the Appointed Date 2 shall remain in full force and effect against or in favour of the Resulting Company 1 and shall be binding on and be enforceable by and against the Resulting Company 1 as fully and effectually as if the Resulting Company 1 had at all material times been a party or beneficiary or obligee thereto. The Resulting Company 1 will, if required, enter into a novation agreement in relation to such contracts, deeds, bonds, agreements, arrangements and other instruments as stated above and, if required, cause such contracts, deeds, bonds, agreements, arrangements and other instruments as stated above to be formally taken on record/ recognised by the Appropriate Authorities.
- 16.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Securities Business Undertaking occurs by virtue of this Scheme, the Resulting Company 1 may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary in order to give effect to the provisions of this Scheme. With effect from the Appointed Date 2, the Resulting Company 1 shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company.
- 16.3 On and from the Effective Date, and thereafter, the Resulting Company 1 shall be entitled to enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Demerged Company, in relation to or in connection with the Securities Business Undertaking, in the name of the Resulting Company 1 in so far as may be necessary until the transfer of rights and obligations of the Securities Business Undertaking to the Resulting Company 1 under this Scheme have been given effect to under such contracts and transactions.

17. EMPLOYEES

- 17.1 On Part III of the Scheme becoming effective, all employees of the Demerged Company in service on the Effective Date, engaged in or in relation to the Securities Business Undertaking, shall be deemed to have become employees of the Resulting Company 1 with effect from the Appointed Date 2 or their respective joining date, whichever is later, without any interruption in service, on the terms and conditions not less favourable than those on which they are engaged by the Demerged Company. The Resulting Company 1 undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Demerged Company with any of the aforesaid employees or union representing them. The Resulting Company 1 agrees that the services of all such employees with the Demerged Company prior to the demerger shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits. The decision on whether or not an employee is part of the Securities Business Undertaking, be decided by the Demerged Company, and shall be final and binding on all concerned.
- 17.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing gratuity fund and superannuation fund of which they are members, as the case may be, will be transferred respectively to such gratuity fund and superannuation funds nominated by the Resulting Company 1 and/ or such new gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities, by the Resulting Company 1. Pending the transfer as aforesaid, the gratuity fund and superannuation fund dues of the said employees would be continued to be deposited in the existing gratuity fund and superannuation fund respectively of the Demerged Company.
- 17.3 As far as provident fund is concerned, the balances standing to the credit of the said employees in the existing provident fund of the Demerged Company shall be retained in such provident fund and such provident fund shall be continued for the benefit of: (a) the said employees who are transferred to the Resulting Company 1, as aforesaid, and (b) other employees of the Demerged Company. In relation to said employees being transferred, the Resulting Company 1 shall stand substituted for the Demerged Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions thereof. The rules of such existing provident fund shall stand amended accordingly. The employees of the Demerged Company engaged in or in relation to the Securities Business Undertaking who are transferred to the Resulting Company 1, as aforesaid, shall be deemed to constitute a separate class of employees of the Resulting Company 1 for the purpose of compliance with the provisions of the EPF Act.
- 17.4 Employee stock options:
- 17.4.1 Upon the coming into effect of Part III of the Scheme, the Resulting Company 1 shall either formulate new employee stock option scheme/(s) or make changes to the existing employee stock option scheme/(s) by adopting the IIFL ESOS of the Demerged Company, as modified in accordance with the variations mentioned in this Clause 17.4;
- 17.4.2 With respect to the stock options granted by the Demerged Company to the employees of the Demerged Company or its subsidiaries (irrespective of whether they continue to be employees of the Demerged Company or its subsidiaries or become

employees of the Resulting Company 1 or its subsidiaries pursuant to this Scheme) under the IIFL ESOS; and upon the Scheme becoming effective, the said employees shall be granted 1 (One) stock option by the Resulting Company 1 under the new scheme(s) for every 1 (One) stock option held in the Demerged Company, whether the same are vested or not, on terms and conditions similar to the IIFL ESOS;

- 17.4.3 The stock options granted by the Demerged Company under the IIFL ESOS would continue to be held by the employees concerned (irrespective of whether they continue to be employees of the Demerged Company or its subsidiaries or become employees of the Resulting Company 1 or its subsidiaries). Upon coming into effect of the Scheme, the Demerged Company shall take necessary steps to modify the IIFL ESOS in a manner considered appropriate and in accordance with the applicable laws, in order to enable the continuance of the same in the hands of the employees who become employees of the Resulting Company 1, subject to the approval of the Stock Exchange and the relevant regulatory authorities, if any under Applicable Law;
- 17.4.4 The existing exercise price of the stock options of the Demerged Company shall be modified and the Board of the Demerged Company shall determine the exercise price consequent to the demerger. The Board of the Resulting Company 1 shall determine the exercise price of the stock options issued by the Resulting Company 1 in lieu of stock options granted under IIFL ESOS. The Board of the Demerged Company and the Resulting Companies shall ensure that the terms of the employee stock options granted under stock option plans of the respective companies in lieu of the options held in IIFL ESOS and any adjustment to the exercise price of stock options granted under IIFL ESOS are not less favourable than existing terms of the stock options granted under IIFL ESOS;
- 17.4.5 While granting stock options, the Resulting Company 1 shall take into account the period during which the employees held stock options granted by the Demerged Company prior to the issuance of the stock options by the Resulting Company 1, for determining of minimum vesting period required for stock options granted by the Resulting Company 1, subject to applicable laws;
- 17.4.6 The Resulting Companies and Transferee Company 1 shall reimburse each other for cost debited to the profit & loss account or any suspense / subsidy account, subsequent to the Appointed Date 2, in relation to stock options issued to employees of the other company or its subsidiaries, if necessary and required;
- 17.4.7 The Board of the Demerged Company and Resulting Company 1 may provide cash compensation, if required, to the employees of the Demerged Company holding stock options in the Demerged Company in order to provide fair treatment if the effect from Clauses 17.4.1 to 17.4.6 are deemed insufficient by the Board of the Demerged Company and the Resulting Company 1; and
- 17.4.8 The Board of the Demerged Company and Resulting Company 1 shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause 17.4. Approval granted to the Scheme by the shareholders of the Demerged Company and the Resulting Company 1 shall also be deemed to be approval granted to any modifications made to the IIFL ESOS of the Demerged Company and approval granted to the new employee stock option scheme to be adopted by the Resulting Company 1, respectively.

18. LEGAL PROCEEDINGS

- 18.1 Upon the coming into effect of this Scheme, proceedings relating to the Securities Business Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme but shall be continued and be enforced by or against the Resulting Company 1 with effect from the Effective Date in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company.
- 18.2 The Resulting Company 1: (a) shall be replaced/ added as party to such proceedings relating to the Securities Business Undertaking; and (b) shall prosecute or defend such proceedings at its own cost and the liability of the Demerged Company shall consequently stand nullified. For the avoidance of doubt, it is clarified that only the Demerged Company shall be liable for the result of such order or judgment including any relief or positive impact/benefit or adverse impact/liability accruing from such order or judgment. It is clarified that except, as otherwise provided herein, the Demerged Company shall in no event be responsible or liable in relation to any proceedings relating to the Securities Business Undertaking that stand transferred to the Resulting Company 1.

19. CONSIDERATION

- 19.1 Upon Part III of the Scheme coming into effect and in consideration of and subject to the provisions of this Scheme, the Resulting Company 1 shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Demerged Company, 1 (One) fully paid up equity share of INR 2 (Indian Rupees Two) each of the Resulting Company 1 ("**Securities Business Undertaking New Equity Shares**"), credited as fully paid up, for every 1 (One) equity share of INR 2 (Indian Rupees Two) each of the Demerged Company held by such shareholder whose name is recorded in the register of members and records of the depository as members of the Demerged Company as on the Record Date. It is hereby clarified that no shares shall be issued by the Resulting Company 1 in respect of the shares held by the Demerged Company in the Resulting Company 1. The equity shares of the Resulting Company 1 to be issued and allotted as provided in this Clause 19.1 shall be subject to the provisions of the memorandum of association and articles of association of Resulting Company 1, as the case may be, and shall rank *pari passu* in all respects with any existing equity shares of Resulting Company 1, as the case may be, after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of Resulting Company 1.
- 19.2 The issue and allotment of equity shares as provided in Clause 19.1, is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Resulting Company 1 or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Laws as may be applicable were duly complied with. It is clarified that the approval of the members and creditors of the Resulting Company 1 and/ or the Demerged Company to this Scheme, shall be deemed to be their consent/ approval for the issue and allotment of equity shares, as the case may be, pursuant to the aforesaid Clause 19.1.
- 19.3 The equity shares issued pursuant to Clause 19.1 shall be in dematerialized form unless otherwise notified in writing by a shareholder of the Demerged Company to the Resulting Company 1 on or before such date as may be determined by the Board of Demerged Company. In the event that such notice has not been received by Resulting Company 1 in respect of any of the shareholders of Demerged Company, the equity shares, shall be issued to such

shareholders in dematerialized form provided that the shareholders of Demerged Company shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event that Resulting Company 1 has received notice from any shareholder that the equity shares are to be issued in physical form or if any shareholder has not provided the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required or if the details furnished by any shareholder do not permit electronic credit of the shares of Resulting Company 1, then Resulting Company 1 shall issue the equity shares in physical form to such shareholder or shareholders.

- 19.4 In the event, the Parties restructure their equity share capital by way of share split / consolidation / issue of bonus shares during the pendency of the Scheme, the share exchange ratio, per Clause 19.1 above shall be adjusted (including stock options) accordingly, to consider the effect of any such corporate actions.
- 19.5 Resulting Company 1 shall apply for listing of its equity shares on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The equity shares allotted by the Resulting Company 1 in terms of Clause 19.1 above, pursuant to the Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange. Further, there shall be no change in the shareholding pattern of Resulting Company 1 between the Record Date and the listing of its equity shares which may affect the status of approval of the Stock Exchanges.
- 19.6 Resulting Company 1 shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.

20. ACCOUNTING TREATMENT BY THE DEMERGED COMPANY AND THE RESULTING COMPANY 1 IN RESPECT OF THEIR RESPECTIVE BOOKS OF ACCOUNTS

20.1 Accounting treatment in the books of the Demerged Company:

- 20.1.1 The Demerged Company shall, upon the Scheme becoming effective, reduce the assets and liabilities of the Securities Business Undertaking vested in the Resulting Company 1 pursuant to this Scheme at their respective book values as on the Effective Date;
- 20.1.2 Inter-company balances and transaction between the Resulting Company 1 and the Securities Business Undertaking of the Demerged Company, if any, including inter-company investments will stand cancelled; and
- 20.1.3 The difference being the excess of the book value of assets over the book value of the liabilities pertaining to the Securities Business Undertaking and demerged from the Demerged Company pursuant to this Scheme after giving effect to Clause 20.1.2 shall be adjusted to capital reserves of the Demerged Company.

20.2 Accounting treatment in the books of the Resulting Company 1:

- 20.2.1 Upon the coming into effect of this Scheme, the Resulting Company 1 shall record the assets and liabilities of the Securities Business Undertaking at their respective book values, as on the Effective Date in the books of the Demerged Company;

- 20.2.2 The Resulting Company 1 shall credit to its share capital account, the aggregate face value of the Securities Business Undertaking New Equity Shares issued by it pursuant to Clause 19.1 of this Scheme;
- 20.2.3 Inter-company balances and transaction between the Resulting Company 1 and the Securities Business Undertaking of the Demerged Company, if any, including inter-company investments will stand cancelled;
- 20.2.4 The difference between value of assets and liabilities of the Securities Business Undertaking as recorded by the Resulting Company 1 after considering effect of Clause 20.2.2 and Clause 20.2.3 shall be adjusted as capital reserve; and
- 20.2.5 When the financial statements will be prepared under the Indian Accounting Standards (“Ind AS”), as per Ind AS 103, the financial information in the financial statements in respect of prior periods (prior to the Effective Date) shall be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

21. TRANSFER OF AUTHORISED CAPITAL

- 21.1 Upon coming into effect of Part III and after giving effect to combination of authorised capital under Clause 9.1 of this Scheme, INR 800,000,000 (Indian Rupees Eighty Crore Only) shall stand transferred from the authorised capital of the Demerged Company and get combined with the authorised capital of the Resulting Company 1 and the Memorandum of Association and Articles of Association of the Resulting Company 1 (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the Resulting Company 1 to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duty and fees paid on the authorized capital of the Demerged Company shall be utilized and applied to the increased authorized share capital of the Resulting Company 1 and there would be no requirement for any further payment of stamp duty and/or fee by the Resulting Company 1 for increase in the authorised share capital to that extent.

- 21.2 Consequently, the Memorandum of Association of the Resulting Company 1 shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 14, 61 and 64 of the Act and Section 230 to 232 and other applicable provisions of the Act, and be replaced by the following Clause:

“The Authorised Share Capital of the Company is Rs 100,00,01,000 (Rupees One Hundred Crore One Thousand Only) divided into 50,00,00,500 (Fifty Crore Five Hundred) Equity Shares of Rs 2/- (Rupees Two only) each with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or condition as may be determined by or in accordance with the Articles of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of the Company and the legislative provisions for the time being in force.”.

- 21.3 It is clarified that the approval of the members of the Resulting Company 1 to this Scheme shall be deemed to be their consent/ approval also to the consequential alteration of the

Memorandum of Association of the Resulting Company 1 and the Resulting Company 1 shall not be required to seek separate consent/ approval of its shareholders for such alteration of the Memorandum of Association as required under Sections 13, 61, and 64 of the Act and other applicable provisions of the Act.

PART IV

DEMERGER AND VESTING OF THE WEALTH BUSINESS UNDERTAKING

22. DEMERGER AND VESTING OF THE WEALTH BUSINESS UNDERTAKING

- 22.1 Upon the Scheme becoming effective and with effect from the Appointed Date 2, and subject to the provisions of this Scheme and pursuant to Sections 230 to 232 of the Act and Section 2(19AA) of the IT Act, the Wealth Business Undertaking along with all its assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc. shall, without any further act, instrument or deed, be demerged from Demerged Company and transferred to and be vested in or be deemed to have been vested in the Resulting Company 2 as a going concern so as to become as and from the Appointed Date 2, the assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc. of the Resulting Company 2 by virtue of, and in the manner provided in this Scheme.
- 22.2 In respect of such of the assets and properties forming part of the Wealth Business Undertaking as are movable in nature or are otherwise capable of transfer by delivery or possession, or by endorsement and/ or delivery, the same shall stand transferred by the Demerged Company upon coming into effect of this Scheme and shall, *ipso facto* and without any other order to this effect, become the assets and properties of the Resulting Company 2.
- 22.3 Subject to Clause 22.4 below, with respect to the assets of the Wealth Business Undertaking, other than those referred to in Clause 22.2 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, whether or not the same is held in the name of the Demerged 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 Resulting Company 2, with effect from the Appointed Date 2 by operation of law as transmission or as the case may be in favour of Resulting Company 2. With regard to the licenses of the properties, the Resulting Company 2 will enter into novation agreements, if it is so required.
- 22.4 Without prejudice to the aforesaid, the Wealth Business Undertaking, including all immoveable property, whether or not included in the books of the Demerged Company, whether freehold or leasehold (including but not limited to land, buildings, sites, tenancy rights related thereto, and immovable properties and any other document of title, rights, interest and easements in relation thereto) of the Wealth Business Undertaking shall stand transferred to and be vested in the Resulting Company 2, without any act or deed to be done or executed by the Demerged Company and/ or the Resulting Company 2.
- 22.5 The Demerged Company shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred to and vested in the

Resulting Company 2 and that appropriate modification should be made in their respective books/ records to reflect the aforesaid changes.

22.6 Upon effectiveness of the Scheme, all debts, liabilities, loans, obligations and duties of the Demerged Company as on the Appointed Date 2 and relatable to the Wealth Business Undertaking (“**Transferred Wealth Business Liabilities**”) shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Resulting Company 2 to the extent that they are outstanding as on the Appointed Date 2 and the Resulting Company 2 shall meet, discharge and satisfy the same. The term “**Transferred Wealth Business Liabilities**” shall include:

22.6.1 the debts, liabilities obligations incurred and duties of any kind, nature or description (including contingent liabilities) which arise out of the activities or operations of the Wealth Business Undertaking;

22.6.2 the specific loans or borrowings (including debentures bonds, notes and other debt securities raised, incurred and utilized solely for the activities or operations of the Wealth Business Undertaking); and

22.6.3 in cases other than those referred to in Clauses 22.6.1 or 22.6.2 above, so much of the amounts of general or multipurpose borrowings, if any, of the Demerged Company, as stand in the same proportion which the value of the assets transferred pursuant to the demerger of the Wealth Business Undertaking bear to the total value of the assets of the Demerged Company immediately prior to the Appointed Date 2.

However, the tax liabilities and tax demands or refunds received or to be received by the Demerged Company for a period prior to the Appointed Date 2 in relation to the Demerged Company shall not be transferred as part of the Wealth Business Undertaking to Resulting Company 2.

22.7 In so far as any Encumbrance in respect of Transferred Wealth Business Liabilities is concerned, such Encumbrance shall, without any further act, instrument or deed being required to be modified and, if so agreed, shall be extended to and shall operate over the assets of the Resulting Company 2. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Business are concerned, the Encumbrance, if any, over such assets relating to the Transferred Wealth Business Liabilities, without any further act, instrument or deed being required, be released and discharged from the obligations and Encumbrances relating to the same. Further, in so far as the assets comprised in the Wealth Business Undertaking are concerned, the Encumbrance over such assets relating to any loans, borrowings or other debts which are not transferred to the Resulting Company 2 pursuant to this Scheme and which shall continue with the Demerged Company, shall without any further act or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities.

22.8 Taxes, if any, paid or payable by the Demerged Company after the Appointed Date 2 and specifically pertaining to Wealth Business Undertaking shall be treated as paid or payable by the Resulting Company 2 and the Resulting Company 2 shall be entitled to claim the credit, refund or adjustment for the same as may be applicable.

22.9 If the Demerged Company is entitled to any unutilized credits (including balances or advances), benefits under the incentive schemes and policies including tax holiday or concessions relating to the Wealth Business Undertaking under any Tax Laws or Applicable

Laws, the Resulting Company 2 shall be entitled as an integral part of the Scheme to claim such benefit or incentives or unutilised credits, as the case may be, without any specific approval or permission.

- 22.10 Upon the Scheme becoming effective, the Demerged Company and the Resulting Company 2 shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme.
- 22.11 Subject to Clause 22 and any other provisions of the Scheme, any refunds, benefits, incentives, grants, subsidies in relation to or in connection with the Wealth Business Undertaking, the Demerged Company shall, if so required by the Resulting Company 2, issue notices in such form as the Resulting Company 2 may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Resulting Company 2, as the person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same, stands transferred to the Resulting Company 2 and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 22.12 On and from the Effective Date and till such time that the name of the bank accounts of the Demerged Company, in relation to or in connection with the Wealth Business Undertaking, have been replaced with that of the Resulting Company 2, the Resulting Company 2 shall be entitled to maintain and operate the bank accounts of the Demerged Company, in the name of the Demerged Company for such time as may be determined to be necessary by the Resulting Company 2. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company, in relation to or in connection with the Wealth Business Undertaking, after the Effective Date shall be accepted by the bankers of the Resulting Company 2 and credited to the account of the Resulting Company 2, if presented by the Resulting Company 2.
- 22.13 Without prejudice to the provisions of the foregoing sub clauses of this Clause 22, and upon the effectiveness of this Scheme, the Demerged Company and the Resulting Company 2 shall be entitled to apply to the Appropriate Authorities as are necessary under any law for such consents, approvals and sanctions which the Resulting Company 2 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 Scheme.

23. PERMITS

- 23.1 With effect from the Appointed Date 2, Permits relating to the Wealth Business Undertaking shall be transferred to and be vested in the Resulting Company 2 and the concerned licensor and grantors of such Permits shall endorse where necessary, and record the Resulting Company 2 on such Permits so as to empower and facilitate the approval and vesting of the Wealth Business Undertaking in the Resulting Company 2 and continuation of operations pertaining to the Wealth Business Undertaking in the Resulting Company 2 without any hindrance, and shall stand transferred to and vested in and shall be deemed to be transferred to and vested in the Resulting Company 2 without any further act or deed and shall be appropriately mutated by the Appropriate Authorities concerned therewith in favour of the Resulting Company 2 as if the same were originally given by, issued to or executed in favour

of the Resulting Company 2 and the Resulting Company 2 shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Resulting Company 2.

- 23.2 The benefit of all Permits pertaining to the Wealth Business Undertaking shall without any other order to this effect, transfer and vest into and become available to the Resulting Company 2 pursuant to the sanction of this Scheme.

24. CONTRACTS

- 24.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments in relation to the Wealth Business Undertaking, to which the Demerged Company is a party and which is subsisting or having effect on or immediately before the Appointed Date 2 shall remain in full force and effect against or in favour of the Resulting Company 2 and shall be binding on and be enforceable by and against the Resulting Company 2 as fully and effectually as if the Resulting Company 2 had at all material times been a party or beneficiary or obligee thereto. The Resulting Company 2 will, if required, enter into a novation agreement in relation to such contracts, deeds, bonds, agreements, arrangements and other instruments as stated above and, if required, cause such contracts, deeds, bonds, agreements, arrangements and other instruments as stated above to be formally taken on record/ recognised by the Appropriate Authorities.

- 24.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Wealth Business Undertaking occurs by virtue of this Scheme, the Resulting Company 2 may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary in order to give effect to the provisions of this Scheme. With effect from the Appointed Date 2, the Resulting Company 2 shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Demerged Company to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company.

- 24.3 On and from the Effective Date, and thereafter, the Resulting Company 2 shall be entitled to enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Demerged Company, in relation to or in connection with the Wealth Business Undertaking, in the name of the Resulting Company 2 in so far as may be necessary until the transfer of rights and obligations of the Wealth Business Undertaking to the Resulting Company 2 under this Scheme have been given effect to under such contracts and transactions.

25. EMPLOYEES

- 25.1 On Part IV of the Scheme becoming effective, all employees of the Demerged Company in service on the Effective Date, engaged in or in relation to the Wealth Business Undertaking, shall be deemed to have become employees of the Resulting Company 2 with effect from the Appointed Date 2 or their respective joining date, whichever is later, on the terms and conditions not less favourable than those on which they are engaged by the Demerged Company. The Resulting Company 2 undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Demerged Company with any of the aforesaid employees or union representing them. The

Resulting Company 2 agrees that the services of all such employees with the Demerged Company prior to the demerger shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits. The decision on whether or not an employee is part of the Wealth Business Undertaking shall be made by the Demerged Company, and shall be final and binding on all concerned.

25.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing gratuity fund and superannuation fund of which they are members, as the case may be, will be transferred respectively to such gratuity fund and superannuation funds nominated by the Resulting Company 2 and/ or such new gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities, by the Resulting Company 2. Pending the transfer as aforesaid, the gratuity fund and superannuation fund dues of the said employees would be continued to be deposited in the existing gratuity fund and superannuation fund respectively of the Demerged Company.

25.3 As far as provident fund is concerned, the balances standing to the credit of the said employees in the existing provident fund of the Demerged Company shall be retained in such provident fund and such provident fund shall be continued for the benefit of: (a) the said employees who are transferred to the Resulting Company 2, as aforesaid, and (b) other employees of the Demerged Company. In relation to said employees being transferred, the Resulting Company 2 shall stand substituted for the Demerged Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions thereof. The rules of such existing provident fund shall stand amended accordingly. The employees of the Demerged Company engaged in or in relation to the Wealth Business Undertaking who are transferred to the Resulting Company 2, as aforesaid, shall be deemed to constitute a separate class of employees of the Resulting Company 2 for the purpose of compliance with the provisions of the EPF Act

25.4 Employee stock options:

25.4.1 Upon the coming into effect of Part IV of the Scheme, the Resulting Company 2 shall formulate new employee stock option scheme/(s) by adopting the IIFL ESOS of the Demerged Company, as modified in accordance with the variations mentioned in this Clause 25.4;

25.4.2 With respect to the stock options granted by the Demerged Company to the employees of the Demerged Company or its subsidiaries (irrespective of whether they continue to be employees of the Demerged Company or its subsidiaries or become employees of the Resulting Company 2 or its subsidiaries pursuant to this Scheme) under the IIFL ESOS; and upon the Scheme becoming effective, the said employees shall be granted 1 (One) stock option by the Resulting Company 2 under the new scheme(s) for every 7 (Seven) stock options held in the Demerged Company, whether the same are vested or not on terms and conditions similar to the IIFL ESOS;

25.4.3 The stock options granted by the Demerged Company under the IIFL ESOS would continue to be held by the employees concerned (irrespective of whether they continue to be employees of the Demerged Company or its subsidiaries or become employees of the Resulting Company 2 or its subsidiaries). Upon coming into effect of the Scheme, the Demerged Company shall take necessary steps to modify the IIFL ESOS in a manner considered appropriate and in accordance with the applicable laws,

in order to enable the continuance of the same in the hands of the employees who become employees of the Resulting Company 2 or its subsidiaries, subject to the approval of the Stock Exchange and the relevant regulatory authorities, if any under Applicable Law;

- 25.4.4 The existing exercise price of the stock options of the Demerged Company shall be modified and the Board of the Demerged Company shall determine the exercise price consequent to the demerger. The Board of the Resulting Company 2 shall determine the exercise price of the stock options issued by the Resulting Company 2 in lieu of stock options granted under IIFL ESOS. The Board of the Demerged Company and the Resulting Companies shall ensure that the terms of the employee stock options granted under stock option plans of the respective companies in lieu of the options held in IIFL ESOS and any adjustment to the exercise price of stock options granted under IIFL ESOS are not less favourable than existing terms of the stock options granted under IIFL ESOS;
- 25.4.5 While granting stock options, the Resulting Company 2 shall take into account the period during which the employees held stock options granted by the Demerged Company prior to the issuance of the stock options by the Resulting Company 2, for determining of minimum vesting period required for stock options granted by the Resulting Company 2, subject to applicable laws;
- 25.4.6 The Resulting Companies and the Transferee Company 1 shall reimburse each other for cost debited to the profit & loss account or any suspense / subsidy account, subsequent to the Appointed Date 2, in relation to stock options issued to employees of the other company or its subsidiaries, if necessary and required;
- 25.4.7 The Board of the Demerged Company and Resulting Company 2 may provide cash compensation, if required, to the employees of the Demerged Company holding stock options in the Demerged Company in order to provide fair treatment if the effect from Clauses 25.4.1 to 25.4.6 are deemed insufficient by the Board of the Demerged Company and the Resulting Company 2; and
- 25.4.8 The Board of the Demerged Company and Resulting Company 2 shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause 25.4. Approval granted to the Scheme by the shareholders of the Demerged Company and the Resulting Company 2 shall also be deemed to be approval granted to any modifications made to the IIFL ESOS of the Demerged Company and approval granted to the new employee stock option scheme to be adopted by the Resulting Company 2, respectively.

26. LEGAL PROCEEDINGS

- 26.1 Upon the coming into effect of this Scheme, proceedings relating to the Wealth Business Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme but shall be continued and be enforced by or against the Resulting Company 2 with effect from the Effective Date in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company.
- 26.2 The Resulting Company 2: (a) shall be replaced/ added as party to such proceedings relating to the Wealth Business Undertaking; and (b) shall prosecute or defend such proceedings at its

own cost and the liability of the Demerged Company shall consequently stand nullified. For the avoidance of doubt, it is clarified that only the Demerged Company shall be liable for the result of such order or judgment including any relief or positive impact/benefit or adverse impact/liability accruing from such order or judgment. It is clarified that except, as otherwise provided herein, the Demerged Company shall in no event be responsible or liable in relation to any proceedings relating to the Wealth Business Undertaking that stand transferred to the Resulting Company 2.

27. CONSIDERATION

- 27.1 Upon Part IV of the Scheme coming into effect and in consideration of and subject to the provisions of this Scheme, the Resulting Company 2 shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Demerged Company, 1 (One) fully paid up equity share of INR 2 (Indian Rupees Two) each of the Resulting Company 2 ("**Wealth Business Undertaking New Equity Shares**"), credited as fully paid up, for every 7 (Seven) equity shares of INR 2 (Indian Rupees Two) each of the Demerged Company held by such shareholder whose name is recorded in the register of members and records of the depository as members of the Demerged Company as on the Record Date. It is hereby clarified that no shares shall be issued by the Resulting Company 2 in respect of the shares held by the Demerged Company in the Resulting Company 2. The equity shares of the Resulting Company 2 to be issued and allotted as provided in Clause 27.1 above shall be subject to the provisions of the memorandum of association and articles of association of Resulting Company 2, as the case may be, and shall rank *pari passu* in all respects with any existing equity shares of Resulting Company 2, as the case may be, after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of Resulting Company 2.
- 27.2 In case any shareholder's shareholding in the Demerged Company is such that such shareholder becomes entitled to a fraction of an equity share of the Resulting Company 2, the Resulting Company 2 shall not issue fractional share certificate to such shareholder but shall consolidate such fractions and round up the aggregate of such fractions to the next whole number and issue and allot the consolidated shares directly to a trustee nominated by the Board of Resulting Company 2 in that behalf, who shall sell such shares in the market at such price or prices and on such time or times as the trustee may in its sole discretion decide and on such sale, shall pay to the Resulting Company 2, the net sale proceeds (after deduction of applicable taxes and other expenses incurred), whereupon the Resulting Company 2 shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of Demerged Company in proportion to their respective fractional entitlements so sold by the trustee.
- 27.3 The issue and allotment of equity shares as provided in Clause 27.1, is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Resulting Company 2 or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Laws as may be applicable were duly complied with. It is clarified that the approval of the members and creditors of the Resulting Company 2 and/ or the Demerged Company to this Scheme, shall be deemed to be their consent/ approval for the issue and allotment of equity shares, as the case may be, pursuant to the aforesaid Clause 27.1.
- 27.4 The equity shares issued pursuant to Clause 27.1 shall be in dematerialized form unless otherwise notified in writing by a shareholder of the Demerged Company to the Resulting Company 2 on or before such date as may be determined by the Board of Demerged Company.

In the event that such notice has not been received by Resulting Company 2 in respect of any of the shareholders of Demerged Company, the equity shares, shall be issued to such shareholders in dematerialized form provided that the shareholders of Demerged Company shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event that Resulting Company 2 has received notice from any shareholder that the equity shares are to be issued in physical form or if any shareholder has not provided the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required or if the details furnished by any shareholder do not permit electronic credit of the shares of Resulting Company 2, then Resulting Company 2 shall issue the equity shares in physical form to such shareholder or shareholders.

- 27.5 In the event, the Parties restructure their equity share capital by way of share split/ consolidation/ issue of bonus shares during the pendency of the Scheme, the share exchange ratio, per Clause 27.1 above; shall be adjusted (including stock options) accordingly to consider the effect of any such corporate actions.
- 27.6 Resulting Company 2 shall apply for listing of its equity shares on the Stock Exchanges in terms of and in compliance of SEBI Circular and other relevant provisions as may be applicable. The equity shares allotted by the Resulting Company 2 in terms of Clause 27.1 above, pursuant to the Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchange. Further, there shall be no change in the shareholding pattern of Resulting Company 2 between the Record Date and the listing of its equity shares which may affect the status of approval of the Stock Exchanges.
- 27.7 Resulting Company 2 shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.
- 27.8 Notwithstanding anything contained under the Scheme, on or before the Effective Date, the Resulting Company 2 be and is hereby permitted to issue additional equity shares/ convertible instruments to one or more investors not being promoter(s) or persons acting in concert with the promoters of the Parties, aggregating to not more than 10% of the fully diluted share capital of the Resulting Company 2, by way of preferential allotment at fair value to be determined by an independent valuer, in accordance with the provisions of Applicable Law. It is clarified that, for the purposes of computing the minimum public shareholding requirement of 25% (twenty five per cent) under Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 and the SEBI Circular, the equity shares/ convertible instruments so issued to such investors shall be excluded while computing the minimum public shareholding requirement of 25% (twenty five per cent). The equity shares so issued to such investors shall rank *pari-passu* with the existing equity shares and Wealth Business Undertaking New Equity Shares.

28. ACCOUNTING TREATMENT BY THE DEMERGED COMPANY AND THE RESULTING COMPANY 2 IN RESPECT OF THEIR RESPECTIVE BOOKS OF ACCOUNTS

28.1 Accounting treatment in the books of the Demerged Company:

- 28.1.1 The Demerged Company shall, upon the Scheme becoming effective, reduce the assets and liabilities of the Wealth Business Undertaking vested in the Resulting Company 2 pursuant to this Scheme at their respective book values as appearing on the Effective Date;

- 28.1.2 Inter-company balances and transaction between the Resulting Company 2 and the Wealth Business Undertaking of the Demerged Company, if any, including inter-company investments, will stand cancelled; and
- 28.1.3 The difference being the excess of the book value of assets over the book value of the liabilities pertaining to the Wealth Business Undertaking and demerged from the Demerged Company pursuant to this Scheme after giving effect to Clause 28.1.2 shall be adjusted to capital reserve of the Demerged Company.
- 28.2 Accounting treatment in the books of the Resulting Company 2:
- 28.2.1 Upon the coming into effect of this Scheme, the Resulting Company 2 shall record the assets and liabilities of the Wealth Business Undertaking at their respective book values, as on the Effective Date in the books of the Demerged Company;
- 28.2.2 The Resulting Company 2 shall credit to its share capital account, the aggregate face value of the Wealth Business Undertaking New Equity Shares issued by it pursuant to Clause 27.1 of this Scheme;
- 28.2.3 Inter-company balances and transaction between the Resulting Company 2 and the Wealth Business Undertaking of the Demerged Company, if any, including inter-company investments will stand cancelled;
- 28.2.4 The difference between value of assets and liabilities of the Wealth Business Undertaking as recorded by the Resulting Company 2 after considering effect of clause 28.2.2 and clause 28.2.3 shall be adjusted as capital reserve; and
- 28.2.5 When the financial statements will be prepared under Ind AS, as per Ind AS 103, the financial information in the financial statements in respect of prior periods (prior to the Effective Date) shall be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

PART V

AMALGAMATION OF TRANSFEROR COMPANY 2 WITH TRANSFEREE COMPANY 1

29. TRANSFER OF ASSETS AND LIABILITIES

- 29.1 With effect from the Appointed Date 2 and subject to the provisions of this Scheme and pursuant to Section 232 of the Act and Section 2(1B) of the IT Act, the Transferor Company 2 shall stand amalgamated with the Transferee Company 1 as a going concern and all assets, liabilities, contracts, arrangements, employees, permits, licences, records, approvals, etc. of the Transferor Company 2 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 1, so as to become as and from the Appointed Date 2, the assets, liabilities, contracts, arrangements, employees, permits, licences, records, approvals, etc. of the Transferee Company 1 by virtue of, and in the manner provided in this Scheme.
- 29.2 Without prejudice to the generality of the above and to the extent applicable, unless otherwise stated herein, upon Part V of the Scheme becoming effective and with effect from the Appointed Date 2:

- 29.2.1 with respect to the assets of the Transferor Company 2 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 2 by operation of law without any further act or execution of an instrument with the intent of vesting such assets with the Transferee Company 1 as on the Appointed Date 2;
- 29.2.2 subject to Clause 29.2.3 below, with respect to the assets of the Transferor Company 2, other than those referred to in Clause 29.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, whether or not the same is held in the name of the Transferor Company 2 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 1, with effect from the Appointed Date 2, by operation of law as transmission or as the case may be in favour of the Transferee Company 1;
- 29.2.3 without prejudice to the aforesaid, all the immovable property (including but not limited to the land, buildings, offices, sites, tenancy rights related thereto, and other immovable property, including accretions and appurtenances), whether or not included in the books of the Transferor Company 2, 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 immoveable property) shall stand transferred to and be vested in the Transferee Company 1, as successor to the Transferor Company 2, without any act or deed to be done or executed by the Transferor Company 2, as the case may be and/ or the Transferee Company 1;
- 29.2.4 notwithstanding anything contained in this Scheme, the immovable properties of the Transferor Company 2 situated within the state of Gujarat and such other states, whether owned or leased, for the purpose *inter alia* of payment of stamp duty, and vesting unto the Transferee Company 1 and if the Transferee Company 1 so decide, the concerned parties, whether executed before or after the Effective Date, shall execute and register or cause so to be done, separate deeds of conveyance or deeds of assignment of lease, as the case may be, in favour of the Transferee Company 1 in respect of such immovable properties. Each of the immovable properties, only for the payment of stamp duty, shall be deemed to be conveyed at a consideration being the fair market value of such properties (arrived at by a government approved independent valuer). The execution of such conveyance shall form an integral part of the Scheme;
- 29.2.5 all debts, liabilities, duties and obligations (debentures, bonds, notes or other debt securities) of the Transferor Company 2 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 1, so as to become on and from the Appointed Date 2, the debts, liabilities, duties and obligations of the Transferee Company 1 on the same terms and conditions as were applicable to the Transferor Company 2, 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 29;

- 29.2.6 the vesting of the entire undertaking of the Transferor Company 2, 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 2 or part thereof on or over which they are subsisting on and vesting of such assets in Transferee Company 1 and no such Encumbrances shall extend over or apply to any other asset(s) of Transferee Company 1. Any reference in any security documents or arrangements (to which Transferor Company 2 is a party) related to any assets of Transferor Company 2 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 1. Similarly, Transferee Company 1 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 Transferor Company 2 shall not extend or be deemed to extend or apply to the assets so vested;
- 29.2.7 Taxes, if any, paid or payable by the Transferor Company 2 after the Appointed Date 2 shall be treated as paid or payable by the Transferee Company 1 and the Transferee Company 1 shall be entitled to claim the credit, refund or adjustment for the same as may be applicable;
- 29.2.8 if the Transferor Company 2 is entitled to any unutilized credits (including balances or advances), benefits, subsidies, grants, special status and other benefits or privileges of whatsoever nature under the incentive schemes and policies including tax holiday or concessions under any Tax Laws or Applicable Laws, the Transferee Company 1 shall be entitled as an integral part of the Scheme to claim such benefit or incentives or unutilised credits as the case may be automatically without any specific approval or permission;
- 29.2.9 upon Part V of the Scheme becoming effective, the Transferor Company 2 and / or the Transferee Company 1 shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/ or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme;
- 29.2.10 it is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., the Transferor Company 2, shall, if so required by the Transferee Company 1, issue notices in such form as the Transferee Company 1 may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company 1, as the person entitled thereto, to the end and intent that the right of the Transferor Company 2, to recover or realise the same, stands transferred to the Transferee Company 1 and that appropriate entries should be passed in their respective books to record the aforesaid changes;
- 29.2.11 On and from the Effective Date and till such time that the name of the bank accounts of the Transferor Company 2 has been replaced with that of the Transferee Company,

the Transferee Company 1 shall be entitled to maintain and operate the bank accounts of the Transferor Company 2 in the name of the Transferor Company 2 and for such time as may be determined to be necessary by the Transferee Company 1. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company 2 after the Effective Date shall be accepted by the bankers of the Transferee Company 1 and credited to the account of the Transferee Company 1, if presented by the Transferee Company 1; and

29.2.12 without prejudice to the foregoing provisions of Clause 29.2, and upon the effectiveness of Part V of the Scheme, the Transferor Company 2, and the Transferee Company 1 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 1 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.

30. PERMITS

With effect from the Appointed Date 2, all the Permits held or availed of by, and all rights and benefits that have accrued to, the Transferor Company 2, 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 1 so as to become as and from the Effective Date, the Permits, estates, assets, rights, title, interests and authorities of the Transferee Company 1 and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible in Applicable Laws. Upon the Appointed Date 2 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 1, the Transferee Company 1 is authorized to carry on business in the name and style of the Transferor Company 2 and under the relevant license and/ or permit and/ or approval, as the case may be, and the Transferee Company 1 shall keep a record and/ or account of such transactions.

31. CONTRACTS

31.1 Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature, subsisting or having effect on or immediately before the Appointed Date 2, to which the Transferor Company 2 is a party shall remain in full force and effect against or in favour of the Transferee Company 1 and shall be binding on and be enforceable by and against the Transferee Company 1 as fully and effectually as if the Transferee Company 1 had at all material times been a party thereto. The Transferee Company 1 will, if required, enter into novation agreement(s) in relation to such contracts, deeds, bonds, agreements, arrangements and other instruments as stated above. Any *inter-se* contracts between the Transferor Company 2 on the one hand and the Transferee Company 1 on the other hand shall stand cancelled and cease to operate upon the effectiveness of Part V of this Scheme.

31.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the assets and liabilities of the Transferor Company 2 occurs by virtue of this Scheme, the Transferee Company 1 may, at any time after Part V of the Scheme coming into

effect, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Company 2 is a party or any writings as may be necessary in order to give effect to the provisions of this Scheme. The Transferee Company 1 shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company 2 to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company 2.

- 31.3 On and from the Effective Date, and thereafter, the Transferee Company 1 shall be entitled to complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Transferor Company 2 in the name of the Transferor Company 2 in so far as may be necessary until the transfer of rights and obligations of the Transferor Company 2, to the Transferee Company 1 under this Scheme has been given effect to under such contracts and transactions.

32. EMPLOYEES

- 32.1 On Part V of the Scheme becoming effective, all employees of the Transferor Company 2 in service on the Effective Date (except for the employees part of the Demerged Undertakings), shall be deemed to have become employees of the Transferee Company 1 with effect from the Appointed Date 2 or their respective joining date, whichever is later, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company 1 shall not be less favourable than those applicable to them with reference to the Transferor Company 2 on the Effective Date. The Transferee Company 1 undertakes to continue to abide by any agreement/settlement, if any, validly entered into by the Transferor Company 2 with any union/employee of the Transferor Company 2 recognized by the Transferor Company 2. 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 2 are members shall be transferred to such provident fund, gratuity fund and superannuation fund of the Transferee Company 1 or to be established and caused to be recognized by the appropriate authorities, by the Transferee Company 1.
- 32.2 Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the employees of the Transferor Company 2 would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Company 2.
- 32.3 Upon transfer of the aforesaid funds to the respective funds of the Transferee Company 1, the existing trusts created for such funds by the Transferor Company 2 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 2 will be treated as having been continuous, uninterrupted and taken into account for the purpose of the said fund or funds.
- 32.4 Without prejudice to the aforesaid, the Board of the Transferee Company 1, if it deems fit and subject to applicable laws, shall be entitled to retain separate trusts or funds within the Transferee Company 1 for the erstwhile fund(s) of the Transferor Company 2.
- 32.5 Employee stock options:

- 32.5.1 upon the effectiveness of Part V of this Scheme, the India Infoline Finance ESOP shall automatically stand cancelled. Further and simultaneously with the cancellation of India Infoline Finance ESOP, the Transferee Company 1 shall issue such employees, holding options under the India Infoline Finance ESOP, stock options, on the terms and conditions not less favourable either under a distinct and separate employee incentive plan of the Transferee Company 1 formed and organized for granting incentives to such employees or by modifying the IIFL ESOS to provide for conditions which are not less favourable than India Infoline Finance ESOP (*hereinafter referred to as "India Infoline Finance ESOP - New"*);
- 32.5.2 to implement the above provisions of this Scheme, the Transferee Company 1 shall issue stock options, to such employees of the Transferor Company 2 in the following manner:
- for every 100 (One Hundred) options, whether vested or unvested, granted under India Infoline Finance ESOPs, the eligible employees of the Transferor Company 2 shall be issued 135 (One Hundred and Thirty Five) options under the India Infoline Finance ESOP – New.*
- 32.5.3 Fractional entitlements, if any, arising pursuant to the applicability of the issuance of options under India Infoline Finance ESOP - New shall be rounded off to the nearest higher integer;
- 32.5.4 the grant of options to the holders of options under India Infoline Finance ESOP pursuant to Clause 32.5 of this Scheme shall be effected as an integral part of the Scheme and the consent of the shareholders of the Transferee Company 1 to this Scheme shall be deemed to be their consent in relation to all matters pertaining to India Infoline Finance ESOP - New including without limitation for the purposes of creating the India Infoline Finance ESOP - New and all related matters. No further approval of the shareholders of the Transferee Company 1 would be required in this connection under any Applicable Law, including, without limitation, Section 62 of the Act or the Companies (Share Capital and Debenture) Rules, 2014;
- 32.5.5 it is hereby clarified that in relation to the options granted by the Transferee Company 1 to the eligible employees of the Transferor Company 2, the period during which the options granted by the Transferor Company 2 were held by or deemed to have been held by such eligible employees shall be taken into account for determining the minimum vesting period required under the Applicable Law or agreement or deed for stock options granted under the India Infoline Finance ESOP – New; and
- 32.5.6 the Boards of the Transferor Company 2 and the Transferee Company 1 or any of the committee(s) thereof, if any, shall take such actions and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause 32.5 of the Scheme.

33. LEGAL PROCEEDINGS

If any suit, cause of actions, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatever nature (hereinafter called the "Proceedings") by or against the Transferor Company 2 be pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the amalgamation or of anything contained in this Scheme, but the Proceedings may be continued, prosecuted and

enforced by or against the Transferee Company 1 in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company 2 as if this Scheme had not been made. On and from the Effective Date, the Transferee Company 1 may initiate any legal proceeding for and on behalf of the Transferor Company 2.

34. CONSIDERATION

34.1 After effectiveness of the Part V of the Scheme and in consideration of and subject to other provisions of this Scheme, Transferee Company 1 shall, without any further application, act, deed, consent, instrument, issue and allot, to each shareholder of the Transferor Company whose name is recorded in the register of members of the Transferor Company on the Record Date, in the following proportion:

*“135 (One Hundred and Thirty Five) fully paid up equity shares of INR 2 (Indian Rupees Two) each of the Transferee Company 1 shall be issued and allotted, credited as fully paid up, for every 100 (One Hundred) equity shares of INR 10 (Indian Rupees Ten) each held in the Transferor Company 2.” (“**Transferee Company 1 New Equity Shares**”).*

*“135 (One Hundred and Thirty Five) fully paid up equity shares of INR 2 (Indian Rupees Two) each of the Transferee Company 1 shall be issued and allotted, credited as fully paid up, for every 100 (One Hundred) 0.01% compulsorily convertible preference share of INR 10 (Indian Rupees Ten) each held in the Transferor Company 2.” (“**Transferee Company 1 New Equity Shares**”).*

No shares shall be issued by the Transferee Company 1 in respect of the shares held by the Transferee Company 1 in the Transferor Company 2.

34.2 Upon Part V of this Scheme becoming effective, and in consideration of the Transferor Company 2 amalgamating into the Transferee Company 1, the equity shares held by the Transferee Company 1 on the Effective Date (held either directly or through its nominees) in the Transferor Company 2 shall be cancelled pursuant to this Scheme without any further application, act or deed.

34.3 The equity shares of the Transferee Company 1 to be issued and allotted as provided in Clause 34.1 above shall be subject to the provisions of the memorandum of association and articles of association of Transferee Company 1, as the case may be, and shall rank *pari passu* in all respects with the existing equity shares of Transferee Company 1, as the case may be, after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached thereto.

34.4 In case any shareholder's shareholding in the Transferor Company 2 is such that such shareholder becomes entitled to a fraction of an equity share of Transferee Company 1, as the case may be, Transferee Company shall not issue fractional share certificate to such shareholder but shall consolidate such fractions and round up the aggregate of such fractions to the next whole number and issue and allot the consolidated shares directly to a trustee(s) nominated by the Board of the Transferee Company 1 in that behalf, who shall sell such shares in the market at such price or prices and on such time or times as the trustee(s) may in its sole discretion decide and on such sale, shall pay to Transferee Company 1, the net sale proceeds (after deduction of applicable taxes and other expenses incurred), whereupon Transferee Company 1 shall, subject to withholding tax, if any, distribute such sale proceeds to the

concerned shareholders of the Transferor Company 2 in proportion to their respective fractional entitlements.

- 34.5 The issue and allotment of equity shares as provided in Clause 34, is an integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of Transferee Company 1 or Transferor Company 2 or their shareholders and as if the procedure laid down under the Act and such other Applicable Laws as may be applicable were duly complied with. It is clarified that the approval of the members and creditors of the Transferee Company 1 and/ or the Transferor Company 2 to this Scheme, shall be deemed to be their consent/ approval for the issue and allotment of equity shares, as the case may be, pursuant to this Clause 34.5.
- 34.6 The Transferee Company 1 New Equity Shares issued pursuant to Clause 34.1 shall be in dematerialized form unless otherwise notified in writing by a shareholder of the Transferor Company 2 to Transferee Company 1 on or before such date as may be determined by the Board of Transferor Company 2. In the event that such notice has not been received by Transferee Company 1 in respect of any of the shareholders of Transferor Company 2, the equity shares, shall be issued to such shareholders in dematerialized form provided that the shareholders of Transferor Company 2 shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. In the event that Transferee Company 1 has received notice from any shareholder that the equity shares are to be issued in physical form or if any shareholder has not provided the requisite details relating to his/ her/ its account with a depository participant or other confirmations as may be required or if the details furnished by any shareholder do not permit electronic credit of the shares of Transferee Company 1, then Transferee Company 1 shall issue the equity shares in physical form to such shareholder or shareholders.
- 34.7 The Transferee Company 1 shall apply for listing of Transferee Company 1 New Equity Shares on the Stock Exchanges in terms of and in compliance of the SEBI Circular and other relevant provisions as may be applicable. The Transferee Company New Equity Shares allotted by the Transferee Company 1 in terms of Clause 34 above, pursuant to the Scheme, shall remain frozen in the depository system till listing/ trading permission is given by the designated Stock Exchanges.
- 34.8 In the event, the Parties restructure their equity share capital by way of share split / consolidation/ issue of bonus shares during the pendency of the Scheme, the share exchange ratio as per Clause 34.1 above, shall be adjusted accordingly to consider the effect of any such corporate actions.
- 34.9 The Transferee Company 1 shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law for complying with the formalities of the Stock Exchanges.
- 34.10 Notwithstanding anything contained under the Scheme, on or before the Effective Date, the Transferor Company 2 be and is hereby permitted to issue additional equity shares/ convertible instruments to one or more investors not being promoter(s) or persons acting in concert with the promoters of the Parties, aggregating to not more than 10% of the fully diluted share capital of the Transferor Company 2, by way of preferential allotment at fair value to be determined by an independent valuer, in accordance with the provisions of Applicable Law. It is clarified that, for the purposes of computing the minimum public shareholding requirement of 25% (twenty five per cent) under Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 and the SEBI Circular, the equity shares/ convertible

instruments so issued to such investors shall be excluded while computing the minimum public shareholding requirement of 25% (twenty five per cent). The equity shares so issued to such investors shall rank *pari-passu* with the existing equity shares and Transferee Company 1 New Equity Shares.

35. ACCOUNTING TREATMENT BY THE TRANSFEEE COMPANY 1 IN ITS BOOKS OF ACCOUNTS

35.1 On the Scheme taking effect, the Transferee Company 1 shall account for amalgamation of the Transferor Company 2 with the Transferee Company 1 in its books of account as per the pooling of interest method in accordance with the accounting standards prescribed under section 133 of the Act with effect from the Appointed Date 2.

35.2 When the financial statements will be prepared under Ind AS, as per Ind AS 103, the financial information in the financial statements in respect of prior periods (prior to the Effective Date) shall be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

36. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon the coming into effect of Part V of this Scheme, the resolutions/ power of attorney of/ executed by the Transferor Company 2, as are considered necessary by the Board of the Transferor Company 2, and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed/ executed by the Transferee Company 1, and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then such limits as are considered necessary by the Board of the Transferee Company 1 shall be added to the limits, if any, under like resolutions passed by the Transferee Company 1 and shall constitute the new aggregate limits for each of the subject matters covered under such resolutions/ power of attorneys for the purpose of Transferee Company 1.

37. COMBINATION OF AUTHORISED CAPITAL

37.1 Upon Part V of the Scheme becoming effective, the authorised share capital of the Transferee Company 1 shall stand increased without any further act, instrument or deed on the part of Transferee Company 1 including payment of stamp duty and fees to Registrar of Companies, by the authorised share capital of the Transferor Company 2 amounting to INR 8,950,000,000 (Indian Rupees Eight Hundred and Ninety Five Crore Only) and the Memorandum of Association and Articles of Association of the Transferee Company 1 (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company 1 to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duty and fees paid on the authorized capital of the Transferor Company 2 shall be utilized and applied to the increased authorized share capital of the Transferee Company 1 and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company 1 for increase in the authorised share capital to that extent.

37.2 Clause V of the memorandum of association of the Transferee Company 1 shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 14, 61, 64, and other applicable provisions of the Act, and be replaced by the following Clause:

“The Authorised Share Capital of the Company is Rs. 971,05,00,000 (Rupees Nine Hundred and Seventy Five Crore Five Lakh only) divided into 235,52,50,000 (Two Hundred and Thirty Five Crore Fifty Two Lakh Fifty Thousand only) equity shares of Rs. 2 (Rupees Two) each and 50,00,00,000 (Fifty Crore only) preference shares of Rs. 10 each with such rights, privileges and conditions attached thereto as may be determined by the Board of Directors of the Company. The Company has and shall have always have the power to divide or to consolidate the share capital from time to time into several classes and to increase or reduce its capital from time to time and to vary, modify or abrogate any such rights, privileges or conditions attached to any class of shares in such manner as may for the time being be provided by the regulations of the Company.”

- 37.3 It is clarified that the approval of the members of the Transferee Company 1 to the Scheme shall be deemed to be their consent/ approval also to the alteration of the Memorandum and Articles of Association of the Transferee Company 1 as may be required under the Act.

38. CHANGE OF NAME OF TRANSFEE COMPANY 1

- 38.1 Upon this Scheme becoming effective, the name of the Transferee Company 1 shall stand changed to ‘IIFL Finance Limited’ or such other name which is available and approved by the RoC, by simply filing the requisite forms with the Appropriate Authority and no separate act, procedure, instrument, or deed and registration fees shall be required to be followed under the Act.

- 38.2 Consequently, subject to Clause 38.1 above:

38.2.1 Clause I of the memorandum of association of the Transferee Company 1 shall without any act, act, procedure, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 232 and other applicable provisions of the Act, and be replaced by the following Clause:

“The name of the Company is IIFL Finance Limited.”

- 38.3 It is hereby clarified that, for the purposes of acts and events as mentioned in Clause 38.1 and 38.2, the consent of the shareholders of the Resulting Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13, Section 14 or any other applicable provisions of the Act, would be required to be separately passed, nor any additional fees (including fees and charges to the relevant RoC) or stamp duty, shall be payable by the Resulting Company.

39. CHANGE IN CHARTER DOCUMENTS OF THE TRANSFEE COMPANY 1

- 39.1 With effect from the Appointed Date 2, the main object clause of the Memorandum of Association of the Transferee Company 1 shall be deemed to be altered and amended, without any further act or deed, to include the objects as required for carrying on the business activities of the Transferor Company 2 pursuant to the applicable provisions of the Act. Accordingly, the Memorandum of Association of the Transferee Company 1 shall be altered and amended and necessary revisions in numbering of the clauses inserted shall be carried out.

39.1.1 The following clauses shall replace the main object clause of the Memorandum of Association of the Transferee Company 1. The revised main object clause of the Transferee Company 1 shall read as under:

- “1. *To carry on the business of borrowing/lending money by way of pledge, mortgage, hypothecation, charge or otherwise with or without any securities to any person, individual, body-corporate, firm, organization, authority but the company shall not carry on banking business within the meaning of Banking Regulations Act, 1949.*
- 2. *To solicit and procure insurance business as Corporate Agent and to undertake such other activities as are incidental or ancillary thereto.*
- 2A. *To carry on the activities as investment company and to buy, sell, trade, invest, deal or to do broking in shares, stocks, debentures, bonds, derivatives, commodities, obligations, bills, securities, movable and immovable property and other investments.”*

39.1.2 The following clauses shall be added to the ancillary object clause of the Memorandum of Association of the Transferee Company 1.

- 3A. *To constitute, set up, establish and manage any trust/undertakings for venture capital and to subscribe, act, undertake, manage, execute, exercise all Powers of Trustee, executors, administrators, receivers, attorneys, nominees, representatives and agents and to manage funds of all kinds of trusts and to aid, counsel, assist, finance, protect, promote, and render periodic advice on investment, finance, taxation and to channelise, apply or invest funds from time to time in various forms of investments including shares, debentures, loans, convertibles or otherwise, any other type of instruments and to undertake and execute agencies and trusts of all kinds and to exercise all powers of custody and trust corporation anywhere in India or any part of the world.*
- 3B. *To establish with the object of financing industrial enterprises, ventures in India or any part of the world by lending or granting by way of loans, advances, grants, deposits, hire purchases, leasing finance or any other form with or without interest and / or without security or participation in the capital of industrial enterprises.*
- 3C. *To issue, implement, undertake, offer, distribute, or otherwise promote and operate the payment systems issuing pre-paid payment instruments to individuals/organizations including but not limited to issue a pre-paid cash wallet, mobile phone based pre-paid payment instruments, prepaid card and/or cash card to consumers, subject to requisite regulatory approvals.*
- 3D. *To carry on the business of manpower recruitment and placement, human resource consultancy and training of personnel for the purposes of the main objects of the company.*
- 32A. *To do all other forms of business which Government of India or Reserve Bank of India may specify as a form of business in which it is lawful for the non banking financing company to engage in, subject to requisite permission of the regulatory authorities.*
- 32B. *To carry on any other business (whether similar to any of the above mentioned business or not) which may seem to the Company capable of being*

conveniently carried on in connection with the above mentioned business calculated directly or indirectly to enhance the value of any of the company's business, property or rights.

32C. *To do all such other things as are incidental or conducive to the promotion or advancement of the business of the Company.”*

- 39.2 As an integral part of the Scheme, and, upon the coming into effect of the Scheme, without any further act or deed, the Articles of Association of the Transferee Company 1 be altered and amended to include such articles as stated in Schedule 2 to this Scheme.
- 39.3 For the purposes of the amendment of the Memorandum and Articles of Association of the Transferee Company 1 as provided in this Clause, the consent/ approval given by the members of the Transferee Company 1 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 1 as required under the applicable provisions of the Act shall be required to be passed for making such change/ amendment in the Memorandum and Articles of Association of the Transferee Company 1 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 and Articles 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 1 accordingly and shall certify the registration thereof in accordance with the applicable provisions of the Act.
- 39.4 The Transferee Company 1 shall file with the RoC, all requisite forms and complete the compliance and procedural requirements under the Act, if any.

40. DISSOLUTION OF TRANSFEROR COMPANY 2

On Part V of this Scheme becoming effective, the Transferor Company 2 shall stand dissolved without winding up. On and from the Effective Date, the name of the Transferor Company 2 shall be struck off from the records of the concerned RoC.

PART VI

TRANSFER OF THE BROKING AND DEPOSITORY PARTICIPANT BUSINESS

41. TRANSFER AND VESTING OF THE BROKING AND DEPOSITORY PARTICIPANT BUSINESS UNDERTAKING

- 41.1 Upon Part VI of the Scheme becoming effective and with effect from Appointed Date 2, and subject to the provisions of this Scheme and pursuant to Sections 230 to 232 of the Act and Section 2(42C) of the IT Act, the Broking and Depository Participant Business Undertaking along with all its assets, liabilities, contracts, arrangements, employees, Permits, licences, records, approvals, etc. shall, without any further act, instrument or deed, of the Transferor Company 3 and transferred to and be vested in or be deemed to have been vested in the Transferee Company 2 as a going concern on a 'Slump Sale' basis, without any further deed or act, together with all its assets, properties, liabilities, rights, benefits and interests therein, subject to existing charges if any, thereon. The transfer of the Broking and Depository Participant Business Undertaking under this Scheme shall be in compliance with the IT Act specifically Section 2(42C), and other relevant sections as may be applicable.

- 41.2 In respect of such of the assets and properties forming part of the Broking and Depository Participant Business Undertaking as are movable in nature or are otherwise capable of transfer by delivery or possession, or by endorsement and/ or delivery, the same shall stand transferred by the Transferor Company 3 upon coming into effect of this Scheme and shall, ipso facto and without any other order to this effect, become the assets and properties of the Transferee Company 2.
- 41.3 Subject to Clause 41.4 below, with respect to the assets of the Broking and Depository Participant Business Undertaking, other than those referred to in Clause 41.2 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, whether or not the same is held in the name of the Transferor Company 3, 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 2, with effect from the Appointed Date 2 by operation of law as transmission or as the case may be in favour of Transferee Company 2. It is clarified that all client agreements and know your customer details, sub-broker/ authorised person agreement, agreements with Stock Exchanges, agreement with banks/ clearing member, vendor agreements and power of attorneys would get transferred to and vested in the Transferee Company 2, with effect from the Appointed Date 2 by operation of law as transmission, as the case may be, in favour of Transferee Company 2 and shall have been deemed to have been entered into by the Transferee Company 2. With regard to the licenses of the properties, the Transferee Company 2 will enter into novation agreements, if it is so required.
- 41.4 Without prejudice to the aforesaid, the Broking and Depository Participant Business Undertaking, including all immovable property, whether or not included in the books of the Transferor Company 3, whether freehold or leasehold (including but not limited to land, buildings, sites, tenancy rights related thereto, and immovable properties and any other document of title, rights, interest and easements in relation thereto) of the Broking and Depository Participant Business Undertaking shall stand transferred to and be vested in the Transferee Company 2, without any act or deed to be done or executed by the Transferor Company 3 and/ or the Transferee Company 2.
- 41.5 The Transferor Company 3 shall, at its sole discretion but without being obliged, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that the said debt, receivable, bill, credit, loan, advance or deposit stands transferred to and vested in the Transferee Company 2 and that appropriate modification should be made in their respective books/ records to reflect the aforesaid changes.
- 41.6 Upon effectiveness of Part VI of the Scheme, all debts, liabilities, loans, obligations and duties of the Transferor Company 3 as on the Appointed Date 2 and relating to the Broking and Depository Participant Business Undertaking (“**Broking and Depository Participant Business Liabilities**”) shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Transferee Company 2 to the extent that they are outstanding as on the Appointed Date 2 and the Transferee Company 2 shall meet, discharge and satisfy the same. The term “Broking and Depository Participant Business Liabilities” shall include:

- 41.6.1 the debts, liabilities obligations incurred and duties of any kind, nature or description (including contingent liabilities) which arise out of the activities or operations of the Broking and Depository Participant Business Undertaking;
- 41.6.2 the specific loans or borrowings (including debentures bonds, notes and other debt securities raised, incurred and utilized solely for the activities or operations of the Broking and Depository Participant Business Undertaking); and
- 41.6.3 in cases other than those referred to in Clauses 41.6.1 or 41.6.2 above, so much of the amounts of general or multipurpose borrowings, if any, of the Transferor Company 3, as stand in the same proportion which the value of the assets transferred pursuant to the transfer of the Broking and Depository Participant Business Undertaking bear to the total value of the assets of the Transferor Company 3 immediately prior to the Appointed Date 2.

However, the tax liabilities and tax demands or refunds received or to be received by the Transferor Company 3 for a period prior to the Appointed Date 2 in relation to the Transferor Company 3 shall not be transferred as part of the Broking and Depository Participant Business Undertaking to Transferee Company 2.

- 41.7 In so far as any Encumbrance in respect of Broking and Depository Participant Business Liabilities is concerned, such Encumbrance shall, without any further act, instrument or deed being required to be modified and, if so agreed, shall be extended to and shall operate over the assets of the Transferee Company 2. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Business are concerned, the Encumbrance, if any, over such assets relating to the Broking and Depository Participant Business Liabilities, without any further act, instrument or deed being required, be released and discharged from the obligations and Encumbrances relating to the same. Further, in so far as the assets comprised in the Broking and Depository Participant Business Undertaking are concerned, the Encumbrance over such assets relating to any loans, borrowings or other debts which are not transferred to the Transferee Company 2 pursuant to this Scheme and which shall continue with the Transferor Company 3, shall without any further act or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities.
- 41.8 Taxes, if any, paid or payable by the Transferor Company 3 after the Appointed Date 2 and specifically pertaining to Broking and Depository Participant Business Undertaking shall be treated as paid or payable by the Transferee Company 2 and the Transferee Company 2 shall be entitled to claim the credit, refund or adjustment for the same as may be applicable.
- 41.9 If the Transferor Company 3 is entitled to any unutilized credits (including balances or advances), benefits under the incentive schemes and policies including tax holiday or concessions relating to the Broking and Depository Participant Business Undertaking under any Tax Laws or Applicable Laws, the Transferee Company 2 shall be entitled as an integral part of the Scheme to claim such benefit or incentives or unutilised credits as the case may be, without any specific approval or permission.
- 41.10 Upon the Scheme becoming effective, the Transferor Company 3 and the Transferee Company 2 shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme.

- 41.11 Subject to clause 41 and any other provisions of the Scheme, any refunds, benefits, incentives, grants, subsidies in relation to or in connection with the Broking and Depository Participant Business Undertaking, the Transferor Company 3 shall, if so required by the Transferee Company 2, issue notices in such form as the Transferee Company 2 may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company 2, as the person entitled thereto, to the end and intent that the right of the Transferor Company 3 to recover or realise the same, stands transferred to the Transferee Company 2 and that appropriate entries should be passed in their respective books to record the aforesaid changes.
- 41.12 On and from the Effective Date and till such time that the name of the bank accounts of the Transferor Company 3, in relation to or in connection with the Broking and Depository Participant Business Undertaking, have been replaced with that of the Transferee Company 2, the Transferee Company 2 shall be entitled to maintain and operate the bank accounts of the Transferor Company 3, in the name of the Transferor Company 3 for such time as may be determined to be necessary by the Transferee Company 2. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company 3, in relation to or in connection with the Broking and Depository Participant Business Undertaking, after the Effective Date shall be accepted by the bankers of the Transferee Company 2 and credited to the account of the Transferee Company 2, if presented by the Transferee Company 2.
- 41.13 Without prejudice to the provisions of the foregoing sub clauses of this Clause 41, and upon the effectiveness of this Scheme, the Transferor Company 3 and the Transferee Company 2 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 2 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 Scheme.

42. PERMITS

- 42.1 With effect from the Appointed Date 2, Permits relating to the Broking and Depository Participant Business Undertaking shall be transferred to and vested in the Transferee Company 2 and the concerned licensor and grantors of such Permits shall endorse where necessary, and record the Transferee Company 2 on such Permits so as to empower and facilitate the approval and vesting of the Broking and Depository Participant Business Undertaking in the Transferee Company 2 and continuation of operations pertaining to the Broking and Depository Participant Business Undertaking in the Transferee Company 2 without any hindrance, and shall stand transferred to and vested in and shall be deemed to be transferred to and vested in the Transferee Company 2 without any further act or deed and shall be appropriately mutated by the Appropriate Authorities concerned therewith in favour of the Transferee Company 2 as if the same were originally given by, issued to or executed in favour of the Transferee Company 2 and the Transferee Company 2 shall be bound by the terms thereof, the obligations and duties thereunder and the rights and benefits under the same shall be available to the Transferee Company 2.
- 42.2 The benefit of all Permits pertaining to the Broking and Depository Participant Business Undertaking shall without any other order to this effect, transfer and vest into and become available to the Transferee Company 2 pursuant to the sanction of this Scheme.

43. CONTRACTS

- 43.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments in relation to the Broking and Depository Participant Business Undertaking, to which the Transferor Company 3 is a party and which is subsisting or having effect on or immediately before the Appointed Date 2 shall remain in full force and effect against or in favour of the Transferee Company 2 and shall be binding on and be enforceable by and against the Transferee Company 2 as fully and effectually as if the Transferee Company 2 had at all material times been a party or beneficiary or obligee thereto. The Transferee Company 2 will, if required, enter into a novation agreement in relation to such contracts, deeds, bonds, agreements, arrangements and other instruments as stated above and, if required, cause such contracts, deeds, bonds, agreements, arrangements and other instruments as stated above to be formally taken on record/ recognised by the Appropriate Authorities.
- 43.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Broking and Depository Participant Business Undertaking occurs by virtue of this Scheme, the Transferee Company 2 may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any Applicable Law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations, other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Company 3 is a party or any writings as may be necessary in order to give effect to the provisions of this Scheme. With effect from the Appointed Date 2, the Transferee Company 2 shall under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company 3 to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company 3.
- 43.3 On and from the Effective Date, and thereafter, the Transferee Company 2 shall be entitled to enforce all pending contracts and transactions and to accept stock returns and issue credit notes in respect of the Transferor Company 3, in relation to or in connection with the Broking and Depository Participant Business Undertaking, in the name of the Transferee Company 2 in so far as may be necessary until the transfer of rights and obligations of the Broking and Depository Participant Business Undertaking to the Transferee Company 2 under this Scheme have been given effect to under such contracts and transactions.

44. EMPLOYEES

- 44.1 On Part VI of the Scheme becoming effective, all employees of the Transferor Company 3 in service on the Effective Date, engaged in or in relation to the Broking and Depository Participant Business Undertaking, shall be deemed to have become employees of the Transferee Company 2, with effect from the Appointed Date 2 or their respective joining date, whichever is later, on the terms and conditions not less favourable than those on which they are engaged by the Transferor Company 3. The Transferee Company 2 undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Transferor Company 3 with any of the aforesaid employees or union representing them. The Transferee Company 2 agrees that the services of all such employees with the Transferor Company 3 prior to the transfer shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits. The decision on whether or not an employee is part of the Broking and

Depository Participant Business Undertaking, be decided by the Transferor Company 3, and shall be final and binding on all concerned.

- 44.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing gratuity fund and superannuation fund of which they are members, as the case may be, will be transferred respectively to such gratuity fund and superannuation funds nominated by the Transferee Company 2 and/ or such new gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities, by the Transferee Company 2. Pending the transfer as aforesaid, the gratuity fund and superannuation fund dues of the said employees would be continued to be deposited in the existing gratuity fund and superannuation fund respectively of the Transferor Company 3.
- 44.3 As far as provident fund is concerned, the balances standing to the credit of the said employees in the existing provident fund of the Transferor Company 3 shall be retained in such provident fund and such provident fund shall be continued for the benefit of: (a) the said employees who are transferred to the Transferee Company 2, as aforesaid, and (b) other employees of the Transferor Company 3. In relation to said employees being transferred, the Transferee Company 2 shall stand substituted for the Transferor Company 3, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions thereof. The rules of such existing provident fund shall stand amended accordingly. The employees of the Transferor Company 3 engaged in or in relation to the Broking and Depository Participant Business Undertaking who are transferred to the Transferee Company 2, as aforesaid, shall be deemed to constitute a separate class of employees of the Transferee Company 2 for the purpose of compliance with the provisions of the EPF Act.

45. LEGAL PROCEEDINGS

- 45.1 Upon the coming into effect of this Scheme, proceedings relating to the Broking and Depository Participant Business Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme but shall be continued and be enforced by or against the Transferee Company 2 with effect from the Effective Date in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company 3.
- 45.2 The Transferee Company 2: (a) shall be replaced/ added as party to such proceedings relating to the Broking and Depository Participant Business Undertaking; and (b) shall prosecute or defend such proceedings at its own cost and the liability of the Transferor Company 3 shall consequently stand nullified. For the avoidance of doubt, it is clarified that only the Transferor Company 3 shall be liable for the result of such order or judgment including any relief or positive impact/benefit or adverse impact/liability accruing from such order or judgment. It is clarified that except, as otherwise provided herein, the Transferor Company 3 shall in no event be responsible or liable in relation to any proceedings relating to the Broking and Depository Participant Business Undertaking that stand transferred to the Transferee Company 2.

46. CONSIDERATION

- 46.1 The lumpsum consideration for the transfer of the Broking and Depository Participant Business Undertaking would be equal to INR 16,58,00,000 crores (Rupees Sixteen Crore Fifty Eight Lakhs only).
- 46.2 The lumpsum consideration would be discharged by the Transferee Company 2 by cash/ cheque/ any other form of electronic payment mechanism, within a period of 30 days of the Effective Date.

47. ACCOUNTING TREATMENT BY THE TRANSFEROR COMPANY 3 AND THE TRANSFEEE COMPANY 2 IN RESPECT OF THEIR RESPECTIVE BOOKS OF ACCOUNTS

47.1 Accounting Treatment in the books of Transferor Company 3

- 47.1.1 The Transferor Company 3 shall reduce from its books, the book value of assets and liabilities, as on the Effective Date, transferred as part of Broking and Depository Participant Business Undertaking; and
- 47.1.2 The capital reserve account of the Transferor Company 3 shall be debited/credited with the difference between the value of net assets i.e. book values of assets as reduced by the liabilities pertaining to the Broking and Depository Participant Business Undertaking over the value of the lumpsum consideration receivable by the Transferor Company 3.

47.2 Accounting Treatment in the books of Transferee Company 2

- 47.2.1 Upon coming into effect of this Scheme and upon the arrangement becoming operative, the Transferee Company shall record the assets and liabilities comprised in the Broking and Depository Participant Business Undertaking transferred to and vested in it pursuant to this Scheme, at the book value as on the Effective Date;
- 47.2.2 The deficit or excess, if any, remaining after recording the aforesaid entry over the value of the lumpsum consideration payable to the Transferor Company 3 shall be adjusted by the Transferee Company 3 against the capital reserve account; and
- 47.2.3 When the financial statements will be prepared under Ind AS, as per Ind AS 103, the financial information in the financial statements in respect of prior periods (prior to the Effective Date) shall be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

PART VII

REDUCTION AND REORGANISATION OF SHARE CAPITAL OF THE RESULTING COMPANY 1

48. REDUCTION AND CANCELLATION OF EXISTING EQUITY SHARES OF THE RESULTING COMPANY 1

- 48.1 Immediately upon implementation of Part III of the Scheme and with effect from the Effective Date and upon allotment of equity shares by the Resulting Company 1, the entire paid up equity share capital, as on Effective Date, of the Resulting Company 1 ("**Resulting Company 1 Cancelled Shares**") shall stand cancelled, extinguished and annulled on and from the Effective

Date and the paid up equity capital of the Resulting Company 1 to that effect shall stand cancelled and reduced, which shall be regarded as reduction of share capital of the Resulting Company 1, pursuant to Section 66 of the Act as also any other applicable provisions of the Act.

- 48.2 The reduction of the share capital of the Resulting Company 1 shall be effected as an integral part of this Scheme itself, without having to follow the process under Sections 66 of the Act separately and the order of the Tribunal sanctioning this Scheme shall be deemed to be an order under Section 66 of the Act confirming the reduction.
- 48.3 On effecting the reduction of the share capital as stated in Clause 48.1 above, the share certificates in respect of the Resulting Company 1 Cancelled Shares held by their respective holders shall also be deemed to have been cancelled.
- 48.4 On the Effective Date, the Resulting Company 1 shall debit its share capital account in its books of account with the aggregate face value of the Resulting Company 1 Cancelled Shares.
- 48.5 The capital reserve in the books of the Resulting Company 1 shall be increased to the extent of the amount of the Resulting Company 1 Cancelled Shares.
- 48.6 Notwithstanding the reduction in the equity share capital of the Resulting Company 1, the Resulting Company 1 shall not be required to add "And Reduced" as suffix to its name.

PART VIII

REDUCTION AND REORGANISATION OF SHARE CAPITAL OF THE RESULTING COMPANY 2

49. REDUCTION AND CANCELLATION OF CERTAIN EQUITY SHARES OF THE RESULTING COMPANY 1

- 49.1 Immediately upon implementation of Part IV of the Scheme and with effect from the Effective Date, the paid up equity share capital, as on Effective Date, of the Resulting Company 2 held by the Demerged Company ("**Resulting Company 2 Cancelled Shares**") shall stand cancelled, extinguished and annulled on and from the Effective Date and the paid up equity capital of the Resulting Company 2 to that effect shall stand cancelled and reduced, which shall be regarded as reduction of share capital of the Resulting Company 2, pursuant to Section 66 of the Act as also any other applicable provisions of the Act.
- 49.2 The reduction of the share capital of the Resulting Company 2 shall be effected as an integral part of this Scheme itself, without having to follow the process under Sections 66 of the Act separately and the order of the Tribunal sanctioning this Scheme shall be deemed to be an order under Section 66 of the Act confirming the reduction.
- 49.3 On effecting the reduction of the share capital as stated in Clause 49.1 above, the share certificates in respect of the Resulting Company 2 Cancelled Shares held by their respective holders shall also be deemed to have been cancelled.
- 49.4 On the Effective Date, the Resulting Company 2 shall debit its share capital account in its books of account with the aggregate face value of the Resulting Company 2 Cancelled Shares.
- 49.5 The capital reserve in the books of the Resulting Company 2 shall be increased to the extent of the amount of the Resulting Company 2 Cancelled Shares.

- 49.6 Notwithstanding the reduction in the equity share capital of the Resulting Company 2, the Resulting Company 2 shall not be required to add “And Reduced” as suffix to its name.

PART IX

GENERAL TERMS & CONDITIONS

50. DIVIDENDS

- 50.1 The Transferor Companies, Transferee Companies, Demerged Company and Resulting Companies shall be entitled to declare and pay dividends, to their respective shareholders in respect of the accounting period ending 31 March 2018 and such future accounting periods in accordance with the dividend policy of the Parties and in ordinary course of business, whether interim or final. Any other dividend shall be recommended/ declared only by the mutual consent of the concerned Parties.

- 50.2 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 shareholder of the Transferor Companies, Transferee Companies, Demerged Company and/ or the Resulting Companies to demand or claim or be entitled to any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the respective Boards of the Transferor Companies, Transferee Companies, Demerged Company and/ or the Resulting Companies as the case may be, and subject to approval, if required, of the shareholders of the Transferor Companies, Transferee Companies, Demerged Company and/ or the Resulting Companies as the case may be.

51. CONDUCT OF BUSINESS UPTO THE EFFECTIVE DATE

- 51.1 With effect from the Appointed Date 1 and Appointed Date 2, as the case may be, and up to and including the Effective Date:

51.1.1 the Transferor Company 1, the Transferor Company 3 and Demerged Company (with respect to the Demerged Undertakings) 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 respective Transferee Companies and Resulting Companies, as the case may be;

51.1.2 all profits or income arising or accruing to the Transferor Company 1, Transferor Company 3 and Demerged Company with respect to the Demerged Undertakings 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 1, Transferor Company 2 and Demerged Company with respect to the Demerged Undertakings 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 Companies and Resulting Companies, as the case may be; and

51.1.3 all loans raised and all liabilities and obligations incurred by the Transferor Company 1, Transferor Company 2 and Demerged Company with respect to the Demerged Undertakings after the Appointed Date 1 and Appointed Date 2 (as the case may be) 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 Companies and Resulting Companies as the case may be 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 Companies and the Resulting Companies as the case may be.

51.2 With effect from the date of approval of the Scheme Board of the Parties and up to and including the Effective Date:

51.2.1 The Transferor Companies and the Demerged Company with respect to the Demerged Undertakings shall carry on their 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 Tribunal; or
- (c) when written consent of the Transferee Companies and/ or Resulting Companies, as the case may be, has been obtained in this regard.

51.2.2 The Transferor Companies and the Demerged Company with respect to Demerged Undertakings 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 Companies and/ or Resulting Companies as the case may be;

51.2.3 The Transferor Companies and the Demerged Company with respect to Demerged Undertakings shall not vary the terms and conditions of employment of any of its employees, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken except with the written concurrence of the Transferee Company;

51.2.4 The Transferor Companies and the Demerged Company shall not amend its Memorandum of Association or Articles of Association, except with the written concurrence of the Transferee Companies or the Resulting Companies, unless required to be done pursuant to actions between the Appointed Date 1 and Appointed Date 2, as the case may be, and Effective Date expressly permitted under this Scheme; and

51.2.5 The Transferee Companies and Resulting Companies shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as are necessary under any law for such consents, approvals and sanctions which the Transferee Companies and Resulting Companies may require to carry on the business

of the Transferor Companies and Demerged Company and to give effect to the Scheme.

51.3 For the purpose of giving effect to the order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Tribunal, the Transferee Companies and Resulting Companies 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 Companies and demerger of the Demerged Undertakings, in accordance with the provisions of Sections 230 to 232 of the Act. The Transferee Companies and the Resulting Companies shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc, as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme. For the purpose of giving effect to the vesting order passed under Section 232 of the Act in respect of this Scheme, the Transferee Companies and Resulting Companies shall be entitled to exercise all rights and privileges, and be liable to pay all taxes and charges and fulfil all its obligations, in relation to or applicable to all immovable properties, including mutation and/ or substitution of the ownership or the title to, or interest in the immovable properties which shall be made and duly recorded by the Appropriate Authority(ies) in favour of the Transferee Companies and Resulting Companies as the case may be pursuant to the sanction of the Scheme by the Tribunal and upon the effectiveness of this Scheme in accordance with the terms hereof, without any further act or deed to be done or executed by the Transferee Companies and the Resulting Companies as the case may be. It is clarified that the Transferee Companies and Resulting Companies 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.

52. FACILITATION PROVISIONS

52.1 Immediately upon the Scheme being effective, the Parties shall enter into agreements as may be necessary, inter alia in relation to use by the Parties of office space, infrastructure facilities, information technology services, security personnel, trademarks and other intellectual property rights, legal, administrative and other services, etc. on such terms and conditions that may be mutually agreed between them.

52.2 It is clarified that approval of the Scheme by the shareholders of Demerged Company and Resulting Companies under sections 230 to 232 of the Act shall be deemed to have their approval under Section 188 and other applicable provisions of the Act and Regulation 23 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that no separate approval of the of the Board or audit committee or shareholders shall be required to be sought by the Parties.

52.3 It is clarified that all guarantees provided by the Demerged Company in respect of the Demerged Undertakings and the Transferor Companies shall be valid and subsisting till adequate arrangements/ guarantees have been provided in respect of the same by the Resulting Companies or the Transferee Companies, as the case maybe.

53. PROPERTY IN TRUST

53.1 Notwithstanding anything contained in this Scheme, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom and pertaining to the Demerged Undertakings are transferred, vested, recorded, effected and/ or perfected, in the records of the Appropriate Authority(ies), regulatory bodies or otherwise, in

favour of the Resulting Companies or Transferee Companies, as the case maybe, the Resulting Companies and the Transferee Companies shall be deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authority(ies) and till such time as may be mutually agreed by the Demerged Company or the Transferor Companies and the Resulting Companies or the Transferee Companies, as the case may be, the respective Party will continue to hold the property and / or the asset, license, permission, approval as the case may be in trust on behalf of the Resulting Companies or the Transferee Companies, as the case may be.

54. APPLICATIONS/ PETITIONS TO THE TRIBUNAL

- 54.1 The Parties shall dispatch, make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, under whose jurisdiction, the registered offices of the respective Parties are situated, for sanction of this Scheme under the provisions of Applicable Law, and shall apply for such approvals as may be required under Applicable Law and for dissolution of the Transferor Company 1 and Transferor Company 2 without being wound up.
- 54.2 The Parties shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law for such consents and approvals which the Demerged Company, Transferor Companies, Resulting Companies and Transferee Companies may require to own the assets and/ or liabilities of the Demerged Undertakings or the Transferor Companies, as the case may be, and to carry on the business of the Demerged Undertakings or Transferor Companies, as the case may be.

55. MODIFICATION OR AMENDMENTS TO THIS SCHEME

- 55.1 On behalf of the Demerged Company, each of the Transferor Companies, the Resulting Companies and the Transferee Companies, the Board of the respective companies acting themselves or through authorized persons, may consent jointly but not individually, on behalf of all persons concerned, to any modifications or amendments of this Scheme at any time and for any reason whatsoever, or to any conditions or limitations that the Tribunal or any other Appropriate Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by all of them (i.e. the Boards of the Demerged Company, the Resulting Companies, the Transferor Companies and the Transferee Companies) and solve all difficulties that may arise for carrying out this Scheme and do all acts, deeds and things necessary for putting this Scheme into effect.
- 55.2 For the purpose of giving effect to this Scheme or to any modification thereof the Boards of the Demerged Company, the Transferor Companies, the Resulting Companies and the Transferee Companies acting themselves or through authorized persons may jointly but not individually, give and are jointly authorised to give such directions including directions for settling any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme. It is clarified that individual companies acting themselves or through authorized persons may individually approach the Tribunal or any other Appropriate Authority to seek clarifications for implementation of the Scheme.

55.3 It is clarified that if any modifications are required post satisfaction of the conditions precedent mentioned in Clause 56 and the Scheme having been made effective, the Effective Date shall not be affected by any such modifications that might be required to be made and the Effective Date for such modified Scheme shall be same as the date on which Scheme was made effective prior to the modifications.

56. CONDITIONS PRECEDENT

56.1 Unless otherwise decided (or waived) by the relevant Parties, the Scheme is conditional upon and subject to the following conditions precedent:

56.1.1 obtaining no-objection/ observation letter from the Stock Exchanges in relation to the Scheme under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015;

56.1.2 approval of the Scheme by the requisite majority of each class of shareholders and creditors of the Transferor Companies, the Transferee Companies, the Demerged Company, and the Resulting Companies and such other classes of persons of the said Companies, if any, as applicable or as may be required under the Act and as may be directed by the Tribunal;

56.1.3 the Parties, as the case may be, complying with other provisions of the SEBI Circular, including seeking approval of the shareholders of the Demerged Company through e-voting, as applicable. The Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the proposal are more than the number of votes cast by the public shareholders, of the Demerged Company, against it as required under the SEBI Circular. The term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957;

56.1.4 the sanctions and orders of the Tribunal, under Sections 230 to 232 read with Section 66 of the Act being obtained by the Transferor Companies, the Transferee Companies, the Demerged Company and the Resulting Companies;

56.1.5 certified/ authenticated copies of the orders of the Tribunal, sanctioning the Scheme, being filed with the RoC having jurisdiction over the Parties; and

56.1.6 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.

56.2 Without prejudice to Clause 56.1 and subject to the satisfaction or waiver of the conditions mentioned in Clause 56.1 above, the Scheme shall be made effective in the order as contemplated below:

56.2.1 Part II of the Scheme shall be made effective subject to the satisfaction or waiver of conditions mentioned in Clause 56.1 by the Boards of the Transferor Company 1 and the Transferee Company 1;

56.2.2 Part III of the Scheme shall be made effective immediately after the implementation of Part II of the Scheme;

56.2.3 Part IV of the Scheme shall be made effective immediately after the implementation of Part II of the Scheme;

- 56.2.4 Part V of the Scheme shall be made effective immediately after the implementation of Part III and Part IV of the Scheme and after receipt of registration by Transferee Company 1 as a non-banking finance company from the RBI;
- 56.2.5 Part VI of the Scheme shall be made effective subject to the satisfaction or waiver of conditions mentioned in Clause 56.1 by the Boards of the Transferor Company 3 and the Transferee Company 2;
- 56.2.6 Part VII of the Scheme shall be made effective after the implementation of Part III of the Scheme; and
- 56.2.7 Part VIII of the Scheme shall be made effective after the implementation of Part IV of the Scheme.
- 56.3 It is hereby clarified that submission of this Scheme to the Tribunal and to the Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, titles or defences that the Demerged Company, the Transferor Companies, the Resulting Companies and/ or the Transferee Companies may have under or pursuant to all Applicable Laws.
- 56.4 On the approval of this Scheme by the shareholders of the Demerged Company, the Transferor Companies, the Transferee Companies and the Resulting Companies and such other classes of Persons of the said Companies, if any, pursuant to Clause 56.1.2, such shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the demerger, amalgamation, capital reduction set out in this Scheme, related matters and this Scheme itself.
- 57. EFFECT OF NON-RECEIPT OF PERMITS AND MATTERS RELATING TO REVOCATION/ WITHDRAWAL OF THIS SCHEME**
- 57.1 The Demerged Company, the Transferor Companies, the Transferee Companies and the Resulting Companies acting through their respective Boards shall each be at liberty to withdraw from this Scheme: (a) in case any condition or alteration imposed by any Appropriate Authority is unacceptable to any of them; or (b) they are of the view that coming into effect of the respective parts to this Scheme could have adverse implications on the respective companies.
- 57.2 If this Scheme is not effective within such period as may be mutually agreed upon between the Demerged Company, the Transferor Companies, the Resulting Companies and the Transferee Companies through their respective Boards or their authorised representative, this Scheme shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and/ or in connection with this Scheme.
- 57.3 In the event of revocation/ withdrawal under Clause 57.1 or above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Demerged Company, the Transferor Companies, the Resulting Companies and the Transferee Companies 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 Party shall bear its own costs, unless otherwise mutually agreed.

58. COSTS AND TAXES

All costs, charges and expenses (including, but not limited to, any Taxes and duties, registration charges, etc.) of the Parties, respectively in relation to carrying out, implementing and completing the terms and provisions of this Scheme and/ or incidental to the completion of this Scheme shall be paid by the Demerged Company and shall be allocated to each of the Resulting Companies in the agreed ratio.

59. OBSERVATIONS FROM STOCK EXCHANGES

BSE vide its observation letter dated 14 September 2018 and NSE vide its observation letter dated 11 September 2018 and 27 September 2018 require that the Scheme disclose the following:

59.1 Status of Mr. Kranti Sinha, independent director of Demerged Company and Resulting Company 1 and Mr. Arun Kumar Purwar, independent director of the Demerged Company, who appear in the defaulter list of RBI:

As mentioned by SEBI in their email dated 24 May 2018 to NSE and communicated by NSE to the Demerged Company, the name of Mr. Kranti Sinha is appearing in the defaulter list of RBI on account of him being the erstwhile director of Hindustan Motors Limited and the name of Mr. Arun Kumar Purwar is appearing in the defaulter list of RBI on account of him being the erstwhile director of C & C Constructions Limited and director of Jindal Steel and Power Limited. In this regard, it is clarified that, Mr. Kranti Sinha has resigned from directorship of Hindustan Motors Limited with effect from 9 May 2014 and Mr. Arun Kumar Purwar has resigned from directorship of C & C Constructions Limited with effect from 23 January 2015. Further, Mr. Arun Kumar Purwar has confirmed that Jindal Steel and Power Limited of which he is an independent director, has regularised all its accounts with banks/ financial institutions.

59.2 Disclosure of pending consent application of the Resulting Company 1

An enquiry notice dated 2 May 2017 was received by the Resulting Company 1 from SEBI, basis an inspection conducted by SEBI during the period between 30 January 2014 and 3 February 2014 covering period from 2011 to 2014. The matter relates to SEBI's observations for non-segregation of own funds from clients' funds, misuse of credit balance of clients' funds for debit balance clients' funds; and improper designation of the client bank account. The Resulting Company 1 had applied for the inspection of documents, which were relied upon by SEBI, in relation to issuance of the enquiry notice. Upon the receiving such documents, the Resulting Company 1 submitted reply to SEBI notice providing clarification with supporting documents and highlighting the corrective measures adopted and implemented including compliance with SEBI Circular on enhanced risk based supervision. During the period of three years beginning the date of conclusion of the onsite inspection, three supplementary reports were issued in this matter which have been suitably replied to. Further, a consent application was filed by on 16 January 2018 before SEBI and the same is pending before SEBI.

59.3 Disclosure of pending proceedings of RBI/ Pension Fund Regulatory and Development Authority ("PFRDA") on the companies involved in the Scheme:

Below is a summary of the pending proceedings of RBI/ Pension Fund Regulatory and Development Authority on the companies involved in the Scheme:

A direction dated 17 July 2018 was received by the Transferor Company 2 from PFRDA, listing out the required actions to be complied with, in regard to pending amount of INR 0.76 million by the subscriber's deposits with the Transferor Company 2 as registered Point of Presence for National Pension Scheme as on 31 March 2018. In this regard, the Transferor Company 2 had initiated the required compliances and due periodical reports are being submitted to PFRDA. The compliances on the direction are under progress.

Other than the above, there are no pending proceedings before RBI/ PFRDA on the companies involved in the Scheme.

SCHEDULE 1

LIST OF TRADEMARKS, COPYRIGHTS AND OTHER INTELLECTUAL RIGHTS PERTAINING TO THE SECURITIES BUSINESS UNDERTAKING

List of intellectual properties of the Demerged Company pertaining to the Securities Business Undertaking as on 31 December 2017 includes but is not limited to the following:

A. TRADEMARKS

Sr. No.	Description	Number	Class
1.		1639738	36
2.		1739407	36
3.		1787729	99
4.		1532482	36
5.		1609515	36
6.		1531520	36
7.		1531521	36
8.		1525940	36
9.		1665406	36
10.		1532481	36
11.	IT'S ALL ABOUT MONEY, HONEY!	1263965	36

Sr. No.	Description	Number	Class
12.		1263964	36
13.	When it's about money.. 	3769488	36
14.		3769487	36
15.	ZIDD MAT CHHODO	3261117	36
16.		3042993	36
17.	ADDITIONAL REPRESENTATION  GLOBAL WEALTH ADVISORS	1664502	36

B. Any brand/ trademark/ patent and any other intellectual property right acquired/ created by the Demerged Company post 31 December 2017, pertaining to the Securities Business shall be a part of the Securities Business Undertaking

SCHEDULE 2

AMENDED ARTICLES OF ASSOCIATION OF TRANSFEEE COMPANY 1

Following new sub-articles be inserted in alphabetical order in Article 2 of the Articles of Association of the Transferee Company 1

“Affiliate” means, in relation to any Person, any entity Controlled, directly or indirectly, by that Person, any entity that Controls, directly or indirectly, that Person, or any entity under common Control with that Person or, in the case of a natural Person, any relative (as such term is defined in the Act) of such Person. For the purpose of this definition:

- (i) A holding or subsidiary company of any entity shall be deemed to be an Affiliate of that entity; and
- (ii) The Company shall be deemed not to be an Affiliate of the Investor;

“Control” means (including with correlative meaning, the terms **Controlled by** and **under common Control with**) the acquisition or control of more than 50% (Fifty Percent) of the voting rights or of the issued share capital of a Person or the right to appoint and/or remove all or the majority of the members of the board or other governing body of a Person, the power to direct or cause the direction of the management, and exercise significant influence on the management or policies of a Person, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, through Contract or otherwise;

“ESG” means environmental, social and governance matters;

“ESG Action Plan” means an environmental, social and governance action plan in the Agreed Form defining actions, responsibilities, budgets, deliverables, compliance indicators, and a timeframe for the measures required to remedy the known non-compliances with the ESG Requirements in the business activities of the Company, including the establishment of an appropriate ESG Management System, as may be amended with the approval of the Investor from time to time;

“ESG Policy” means the policy framed by the ESG Committee of the Company on ESG related matters;

“ESG Management System” means the part of the overall management system of the Group dedicated to the systematic and structured improvement of environmental, social and governance performance, targeted to identify and manage ESG risks and opportunities in both the Group’s activities and in the loan and investment appraisal and management processes, integrated in the Group’s organisational structure, planning activities, responsibilities, practices, procedures, processes and resources, which meets the ESG Requirements; and is satisfactory to the Investor;

“ESG Requirements” means, to the extent applicable to any Group Company, the requirements set out in the ESG Policy;

“Group” means all the Group Companies;

“Group Company” means the Company and any company which is at any time a Subsidiary of the Company;

“Investor” means CDC Group plc and its successors and assigns;

“Investor Director” has the meaning attributed to it in Article 224 below;

Following new Articles shall be inserted in the Articles of Association of the Transferee Company 1

- 145A Until such time that the Investor or his affiliates continue to beneficially own 8% of the equity share capital of the Company, the Investor may nominate 1 (One) director (Investor Director), who shall not be liable to retire by rotation. No Person, other than the Investor, shall have the power or right to remove and replace the Investor Director, unless such Investor Director has been removed due to any illegal/ immoral act, fraud or dishonesty. To the extent permissible the Act, the appointment of the Investor Director shall be by direct nomination by the Investor and any appointment or removal, unless the contrary intention appears, shall take effect from the date it is notified to the Company in writing. If the Act does not permit the Person nominated by the Investor to be appointed as a director or additional director of the Company merely by nomination by the Investor, the Board shall ensure that the Board forthwith (and in any event within 2 (Two) days of such nomination or at the next Board meeting, whichever is earlier) appoints such Person as a director or additional director, as the case may be, of the Company and further ensure that, unless the Investor changes or withdraws such nomination, such Person shall also be elected as a director of the Company at the next general meeting of the shareholders of the Company.
- 145B If the Investor ceases to hold 8% of the equity share capital of the Company, but holds at least 5% of the equity share capital of the Company, the Investor may, at any time, nominate an individual as an observer ("**Observer**") to the Board of the Company. Such Observer, subject to applicable laws shall have the right to attend any and all meetings of the Board and of all committees of the Board.
- 145C Subject to the applicable law, the Observer shall have the right to receive all information, notices and materials as shall be provided to the directors.
- 145D Subject to 145B above, the Investor Director shall be entitled to be a member of, or at the option of the Investor, an invitee on all the committees of the Board including the remuneration committee, ESG Committee and audit committee, each of which will remain constituted at all times.
- 169A The Company shall constitute a committee of the Board to formulate the ESG Policy, supervise the ESG Management System and to monitor the Company's overall compliance with the ESG Requirements and the ESG Action Plan (ESG Committee).
- 169B The ESG Committee shall comprise of a minimum of 2 (Two) directors and a maximum of 4 (Four) directors, including the Investor Director.
- 169C The ESG Committee shall have the ability to co-opt or invite persons (including persons who are not directors of the Company) to provide expertise, if required. The members of the ESG Committee shall be appointed with the Consent of the Investor.
- 169D The ESG Committee will reach decisions by a majority vote.

SCHEME OF AMALGAMATION

BETWEEN

IIFL WEALTH ALTIORE LIMITED
(“TRANSFEROR COMPANY”)

AND

IIFL WEALTH MANAGEMENT LIMITED
(“TRANSFeree COMPANY”)

AND

THEIR RESPECTIVE SHAREHOLDERS

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



(A) BACKGROUND OF THE COMPANIES

- (a) IIFL Wealth Altire Limited is a company incorporated under the provisions of the Companies Act, 1956 having CIN: U74999MH2016PLC374418 and having its registered office at 1st Floor, IIFL Centre, Wing B & Extension, Kamala Mills, Senapati Bapat Marg, Lower Parel(W), Mumbai, Maharashtra 400013. (hereinafter referred to as the "Transferor Company"). The Transferor Company has been engaged in the business of advisory and consultancy in various fields including financial consultancy, wealth management, real estate consulting, stock advisory services, deal/distribution of financial products, financial intermediation, investment advisory, strategy consulting, data analytics. The Transferor Company is a wholly owned subsidiary of the Transferee Company (defined hereinafter).
- (b) IIFL Wealth Management Limited is listed public company incorporated under the provisions of the Companies Act, 1956 having CIN: L74140MH2008PLC177884. The registered office of the Transferee Company is situated at office at IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai, Maharashtra 400013 (hereinafter referred to as the "Transferee Company"). The Transferee Company is registered with SEBI as Category I Merchant Banker and is inter alia engaged in the business of providing financial services including asset management, wealth management, advisory services through its subsidiaries.

(B) RATIONALE FOR THE SCHEME

Transferor Company is a wholly owned subsidiary of the Transferee Company and, in order to achieve, inter-alia, efficiency in administrative functions, it is proposed to amalgamate the Transferor Company with the Transferee Company. The amalgamation is expected to yield the following benefits:

- assist in rationalizing the corporate structure and reduction of shareholding tiers;
- reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by both the Transferor Company and Transferee Company;
- result in savings of administration and other costs associated with managing separate entities;

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

(C) OVERVIEW AND OPERATION OF THE SCHEME

The amalgamation of Transferor Company with Transferee Company shall come into effect from the Appointed Date (as defined hereinafter) and shall be in compliance with the provisions of the Income-tax Act, 1961, including Section 2(1B) or any amendments thereto.

Since the Transferor Company is a wholly owned subsidiary of the Transferee Company, upon amalgamation, the shares of the Transferor Company shall be cancelled and no shares shall be issued by the Transferee Company.



(D) PARTS OF THE SCHEME

This Scheme (as defined hereinafter) 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.



PART I

1. DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

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

"Act" or the "Companies Act" means the Companies Act, 2013;

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

"Appointed Date" means the opening business hours of 1st April, 2022.

"Appropriate Authority" means:

- (a) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunal, central bank, commission or other authority thereof;
- (b) any public international organisation or supranational body and its institutions, departments, agencies and instrumentalities; and
- (c) any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing, exporting or other governmental or quasi-governmental authority including (without limitation) SEBI (as defined hereinafter) and the Tribunal (as defined hereinafter);

"Assets" means all movable and immovable properties, tangible or intangible, and other properties, real, corporeal and incorporeal, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, engagements, customer relationships, contracts, arrangements, commercial and business rights, knowledge, knowhow, intellectual properties and rights of any nature wheresoever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favor of or enjoyed by the Transferor Company;



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

"Effective Date" means the last of the dates on which the conditions specified in Clause 20 of this Scheme are complied with. 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;

"Income Tax Act" means the Income-tax Act, 1961;

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

"Liabilities" means all the debts, liabilities, duties and obligations including contingent liabilities of the Transferor Company;

"Order" means an order passed by the NCLT sanctioning the Scheme of Amalgamation.

"Parties" means collectively the Transferor Company and the Transferee Company and

"Party" shall mean each of them, individually;

"Permits" means all consents, licences, permits, certificates, permissions, authorisations, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory, regulatory or otherwise as required under Applicable Law;

"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 having jurisdiction over the Transferor Company and the Transferee Company, as the case may be;

"Scheme" means this Scheme of Amalgamation in its present form or this Scheme with such



modification(s), if any made, as per Clause 19 of the Scheme from time to time, with the appropriate approvals and sanctions of the NCLT and other relevant regulatory/ statutory/ governmental authorities or Appropriate Authority, as may be required under the Act and/or under any other applicable laws;

"SEBI" means the Securities and Exchange Board of India;

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

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

"Transferor Company" means IIFL Wealth Altire Limited, a company incorporated under the provisions of the Companies Act, 1956 having corporate identity number U74999MH2016PLC374418 and its registered office at 1st Floor, IIFL Centre, Wing B & Extension, Kamala Mills, Senapati Bapat Marg, Lower Parel (W), Mumbai, Maharashtra 400013;

"Transferee Company" means IIFL Wealth Management Limited, listed public company incorporated under the provisions of the Companies Act, 1956 having corporate identity number L74140MH2008PLC177884 and its registered office at IIFL Centre, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai City, Maharashtra 400013; and

"Tribunal" means the National Company Law Tribunal having jurisdiction over the Transferor Company and the Transferee Company or such authority that may have jurisdiction over the Scheme in accordance with the applicable provisions of the Act;

1.2 Interpretations

In this Scheme, unless the context otherwise requires:

- 1.1.1 words denoting the singular shall include the plural and *vice versa* and words denoting any gender shall include all genders;
- 1.1.2 headings, subheadings, titles, subtitles to clauses, sub-clauses and paragraphs are for information and convenience only and shall not form part of the operative provisions of this Scheme and shall be ignored in construing the same;
- 1.1.3 the words "include" and "including" are to be construed without limitation;
- 1.1.4 reference to a clause, paragraph or schedule is a reference to a clause, paragraph or



schedule of this Scheme;

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

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

2. SHARE CAPITAL

2.1 The issued, subscribed and paid-up share capital of the Transferor Company as on 31st December 2021 is as under:

Share Capital	INR
Authorized share capital	
1,50,000 equity shares of INR 10 each	15,00,000
Total	15,00,000
Issued, subscribed and paid-up share capital	
1,24,672 equity shares of INR 10 each	12,46,720
Total	12,46,720

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

The issued, subscribed and paid-up share capital of the Transferor Company is entirely held by the Transferee Company along with its nominees.

2.2 The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on 31st December 2021 is as under:

Share Capital	INR
Authorized share capital	
13,26,50,000 equity shares of INR 2 each	26,53,00,000
Total	26,53,00,000
Issued, subscribed and paid-up share capital	
8,86,56,234 equity shares of INR 2 each	17,73,12,468
Total	17,73,12,468



The Transferee Company has outstanding employee stock options under its existing stock option schemes. Subsequent to the above date, pursuant to exercise of outstanding employee stock options, there is an increase in the issued and paid-up share capital of the Transferee Company as under:

- 2.3 The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on the date of approval of the Scheme by the Board is as under:

Share Capital	INR
Authorized share capital	
13,26,50,000 equity shares of INR 2 each	26,53,00,000
Total	26,53,00,000
Issued, subscribed and paid-up share capital	
8,86,66,702 equity shares of INR 2 each	17,73,33,404
Total	17,73,33,404

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 NCLT or made as per Clause 19 of the Scheme, shall become effective from the Appointed Date, but shall be operative from the Effective Date.



PART II

AMALGAMATION OF TRANSFEROR COMPANY WITH TRANSFEREE COMPANY

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 Sections 230 to 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, the manner of transfer and vesting of Assets and Liabilities of the Transferor Company under this Scheme, is as follows:

4.2.1 With respect to the Assets of the Transferor Company that are movable in nature (including 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) 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. 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;

4.2.2 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, 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 lists, client agreements, rights under employment agreements specifically in relation to business customer relationships established, client specific information, know your customer details, agreement with banks, 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, 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 Immoveable 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 Liabilities, duties and obligations (debts, 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 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 The vesting of all the Assets 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; and
- 4.2.6 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.
- 4.3 Without prejudice to the foregoing provisions of this Clause 4.2, 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.



- 4.4 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, 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 Upon the effectiveness of this Scheme and with effect from the Effective Date, the Transferee Company undertakes to engage, without any interruption in service, all employees of the Transferor Company, on terms and conditions no less favourable than those on which they are engaged by the Transferor Company. The Transferee Company agrees that the services of all such employees with the Transferor Company prior to the transfer shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retirement / terminal benefits.
- 5.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, as the case may be, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Transferee Company and/ or such new provident fund, gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities, by the Transferee Company. Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the said employees would be continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Transferor Company.

6 LEGAL PROCEEDINGS

- 6.1 Any suit, petition, appeal, tax assessment proceedings, tax appeals 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 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 and/or arising 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 under the aforesaid relevant license and/or permit and/or approval, as the case may be.

8 CONTRACTS AND DEEDS

8.1 All contracts (including customer and client contracts), deeds, bonds, agreements, business agreements, indemnities, guarantees or other similar rights (including rights under employment agreements) 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 Appropriate Authority sanctioning the Scheme, and on this Scheme becoming effective be deemed to be contracts (including customer and client contracts), deeds, bonds, agreements, business agreements, indemnities, guarantees or other similar rights (including rights under employment agreements) 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 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.

9 TAXES/ DUTIES / CESS ETC.

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

- 9.1 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, unutilized credits of the Transferor Company relating to excise duties, sales tax, service tax, VAT, GST or any other Taxes by whatever name called shall stand vested to the Transferee Company upon filing of requisite forms.
- 9.2 Taxes of whatsoever nature including advance tax, tax deducted at source, 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 The Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, including tax deducted / collected at source returns, service tax returns, excise tax returns, sales tax / value added tax / goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign taxes paid/w/withheld, etc. if any, as may be required for the purposes of/consequent to implementation of the Scheme.

10 CONSIDERATION

- 10.1 The Transferor Company is a wholly owned subsidiary of the Transferee Company and therefore there shall be no issue of shares 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 shall stand cancelled without any further application, act or deed.



11 ACCOUNTING TREATMENT

Upon the Scheme being effective and with effect from the Appointed Date, the Transferee Company shall account for the amalgamation of the Transferor Company into and within its books of accounts as per the "Pooling of Interest Method" in compliance with the Appendix C of Indian Accounting Standard 103 on Business Combinations and other Indian Accounting Standards, as applicable, and notified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India in the following manner:

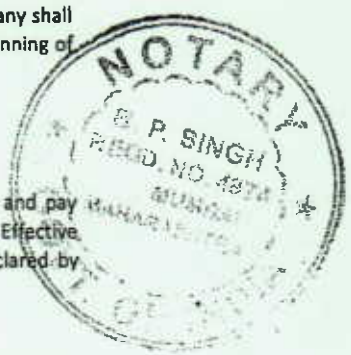
- 11.1 As on the Appointed Date, the Transferee Company shall record all the assets, liabilities and reserves (if and to the extent applicable) of the Transferor Company, vested in it pursuant to this Scheme, at the carrying values in the same manner as if the Transferee Company had prepared its consolidated financial statements with Transferor Company as its subsidiary;
- 11.2 Pursuant to the amalgamation of the Transferor Company with the Transferee Company, inter-company deposits/ loans and advances/ any other balances between the Transferee Company and the Transferor Company, if any, appearing in the books of the Transferee Company shall stand cancelled;
- 11.3 The value of all investments held by the Transferee Company in the Transferor Company shall stand cancelled pursuant to amalgamation and there shall be no further rights or obligations in that behalf;
- 11.4 In case of any differences in accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies; and
- 11.5 Comparative financial information in the financial statements of the Transferee Company shall be restated for the accounting impact of amalgamation, as stated above, from the beginning of the comparative period in the financial statements.

12 DECLARATION OF DIVIDEND, BONUS, ETC.

- 12.1 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.
- 12.2 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 the 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.

13 SAVING OF CONCLUDED TRANSACTIONS

Nothing in this Scheme shall affect any transaction or proceedings already concluded or liabilities incurred 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.

14 COMBINATION OF AUTHORISED CAPITAL

14.1 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.

14.2 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:

"V. The Authorised Share Capital of the Company is INR 26,68,00,000 (Rupees Twenty-Six Crore Sixty Eight Lakhs) divided into 13,34,00,000 (Thirteen Crore Thirty Four Lakhs) equity shares of INR 2/- (Rupees two only) each"

14.3 It is clarified that the approval of the Tribunal to the Scheme shall be deemed to be consent / approval of the members of the Transferee Company also to the alteration of the memorandum and articles of association of the Transferee Company as may be required under the Act.



PART III

GENERAL TERMS AND CONDITIONS

15 DISSOLUTION OF THE TRANSFEROR COMPANY AND VALIDITY OF RESOLUTIONS

15.1 On the Scheme becoming effective, the Transferor Company shall stand 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. On and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the concerned RoC.

16 BUSINESS IN TRUST FOR THE TRANSFEEE COMPANY

16.1 With effect from the date of approval of the Scheme by the respective Boards of the Parties and up to and including the Effective Date:

16.1.1 The Transferor Company shall carry on its business with reasonable diligence and business prudence and in the same manner as the Transferor Company had been doing hitherto; and

16.1.2 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which the Transferee Company may respectively require to carry on the relevant business of the Transferor Company and to give effect to the Scheme.

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

16.2.1 The Transferor Company shall carry on and be deemed to have carried on its businesses and activities and shall hold and stand possessed of and be deemed to have held and stood possessed of all its Assets for and on account of and in trust for the Transferee Company.

16.2.2 The Transferor Company shall carry on its business and activities with due diligence and business prudence and shall not, without the prior written consent of the Transferee Company, charge, mortgage, encumber or otherwise deal with or alienate its Assets or any part thereof, nor incur, accept or acknowledge any debt, obligation or any liability or incur any major expenditure, except as is necessary in the ordinary course of its business.

16.2.3 All profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company shall, for all purposes, be deemed to have accrued as the profits or income or expenditure or losses, as the case may be, of the Transferee Company.

17 APPLICATIONS

17.1 The Parties shall dispatch, make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, under whose jurisdiction the registered offices of the respective Parties are situated, for sanction of this Scheme under the



provisions of Applicable Law and shall apply for such approvals as may be required under Applicable Law.

- 17.2 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any Applicable Law for such consents and approvals which the Transferee Company may require to own the Assets and/or Liabilities of the Transferor Company and to carry on the business of the Transferor Company.

18 PROPERTY IN TRUST

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

19 APPROVALS AND MODIFICATIONS

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

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

20 CONDITIONS PRECEDENT

Unless otherwise decided (or waived) by the relevant Parties, the Scheme is conditional upon and subject to the following conditions precedent:

- 20.1 The requisite sanction or approval of the Tribunal in terms of Sections 230 to 232 and such other relevant provisions of the Act;
- 20.2 Approval by the requisite majority of shareholders and/or creditors, if required, of the Transferor Company and the Transferee Company, as directed by the Tribunal under the Act; and



20.3 Certified/ authenticated copies of the orders of the Tribunal, sanctioning the Scheme, being filed with the RoC having jurisdiction over the Parties;

21 EFFECT OF NON-RECEIPT OF APPROVALS

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.

22 NON-RECEIPT OF APPROVALS AND REVOCATION/WITHDRAWAL OF THIS SCHEME

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

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

22.3 In the event of revocation/withdrawal of the Scheme under Clause 22.1 or Clause 22.2 above, 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 Applicable Law and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

23 COSTS, CHARGES AND EXPENSES

The Transferee Company shall bear the costs, charges and expenses, in connection with this Scheme, arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto.



Certified True Copy

Date of Application 15/12/2022

Number of Pages 18

Fee Paid Rs. 90/-

Applicant called for collection copy on 16/1/23

Copy prepared on 16.01.2023

Copy Issued on 16/1/2023



P. S. Sonwane
Deputy Registrar 16.01.2023

National Company Law Tribunal, Mumbai B. h