

COMPOSITE SCHEME OF ARRANGEMENT

AMONGST

JINDAL UNITED STEEL LIMITED

(AMALGAMATED COMPANY)

AND

JINDAL COKE LIMITED

(AMALGAMATING COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

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

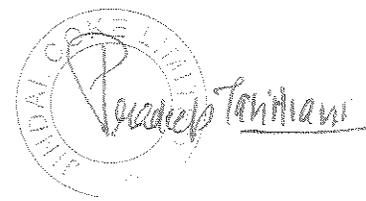
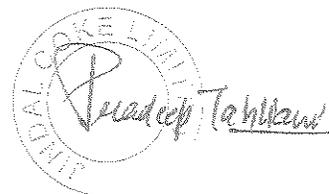
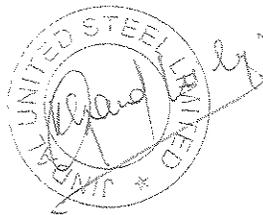
 

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SCHEDULE 1 - DETAILS OF IMMOVABLE PROPERTIES OF AMALGAMATING COMPANY

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INTRODUCTION

1 PREAMBLE

This Composite Scheme of Arrangement (“Scheme”) is presented pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and the rules and regulations issued thereunder and also read with Sections 2(1B) and the other applicable provisions of the Income-tax Act, 1961, in each case, as amended from time to time and as may be applicable, for:

- (i) Amalgamation of Jindal Coke Limited (the “Amalgamating Company”) into and with Jindal United Steel Limited (the “Amalgamated Company”); and
- (ii) Other matters consequential or otherwise integrally connected herewith.

2 BACKGROUND AND DESCRIPTION OF THE PARTIES TO THIS SCHEME

- a) **Jindal United Steel Limited (“JUSL”/“Amalgamated Company”)** is a public limited company, incorporated under the Companies Act, 2013 (“the Act”) having its registered office at O.P. Jindal Marg, Hisar- 125005, Haryana.

The Amalgamated Company is engaged in the business of hot rolling and cold rolling of stainless steel for multiple application. The Corporate Identity Number (“CIN”) of the Amalgamated Company is U28113HR2014PLC053875 and the Permanent Account Number (“PAN”) of the Amalgamated Company is AADCJ4180C.

- b) **Jindal Coke Limited (“JCL” / “Amalgamating Company”)** is a public limited company, incorporated under the Act having its registered office at O.P. Jindal Marg, Hisar - 125005, Haryana.

The Amalgamating Company is engaged in the business of manufacturing, processing, finishing and dealing in all kinds and forms of Coke and Coke products. The CIN of the Amalgamating Company is U23101HR2014PLC053884 and the PAN of Amalgamating Company is AADCJ4179K.

3 NEED AND RATIONALE FOR THIS SCHEME

3.1 Rationale for the Scheme

- 3.1.1 The Amalgamated Company proposes to enter into this Scheme with Amalgamating Company to consolidate their respective manufacturing/service capabilities thereby increasing efficiencies in operations and use of resources and better catering to stainless steel and steel industry, to consolidate their diversified product and services portfolio for improving overall customer satisfaction, to pool their human resource talent for optimal utilization of their expertise, to integrate the marketing and distribution channels for better efficiency, and to ensure optimization of working capital utilization.

- 3.1.2 The management of the respective Companies are of the view that the amalgamation proposed in this Scheme is, in particular, expected to have the following benefits:

- a) Reduction in management overlaps and elimination of legal and regulatory compliances and associated costs due to operation of multiple entities.
- b) Optimization of the allocated capital and availability of funds which can be deployed more efficiently to pursue the operational growth opportunities.
- c) Consolidation of businesses under the Amalgamation, which would result in pooling of financial, managerial, technical and human resources, thereby creating stronger base for future growth and value accretion for the stakeholders

UNITED STEEL
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Head of Tehnani

- d) Consolidation of production capabilities to create larger scale of business and operations to cater to demand of stainless steel and steel industry.
 - e) Consolidation of the complementing strengths will enable the Amalgamated Company to have increased capability for offering diversified products and services on a single platform.
 - f) The combined financial strength is expected to further accelerate the scaling up of the operations of the Amalgamated Company.
 - g) The consolidation of funds and resources will lead to optimization of working capital utilization and stronger financial leverage given the simplified capital structure, improved balance sheet, optimized management structure and consolidation of cross location talent pool.
- 3.1.3 The management of the respective Companies is of the view that this Scheme is in the interest of the customers, employees, lenders, shareholders, and all other stakeholders of the respective Companies. Further, the Scheme will enable the synergies that already exist between the Amalgamating Company and the Amalgamated Company in terms of services and resources to be used optimally for the benefit of their stakeholders.

4 OVERVIEW OF THIS SCHEME

4.1 This Scheme is divided into the following parts:

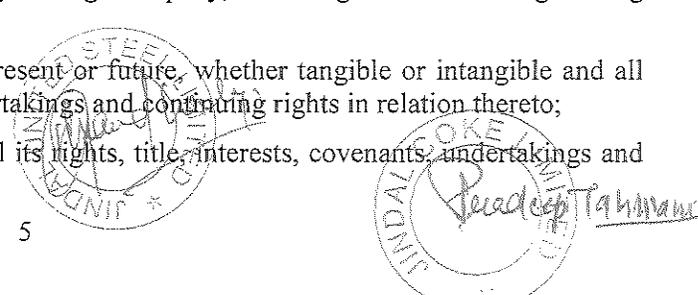
- PART A** - Definitions, Compliance with Tax Laws and Capital Structure
- PART B** - Amalgamation of Amalgamating Company into and with Amalgamated Company, Change in Authorized Share Capital of the Amalgamated Company, Amendment to objects of Amalgamated Company, Dissolution of Amalgamating Company, and other related matters
- PART C** - General Terms and Conditions applicable to the Scheme

PART A
DEFINITIONS, COMPLIANCE WITH TAX LAWS AND CAPITAL STRUCTURE

5 DEFINITIONS

In this Scheme, unless repugnant to the subject or meaning or context thereof, the following expressions shall have the meaning attributed to them as below:

- 5.1 “Act” means, as the context may admit, the Companies Act, 2013 (as may be notified from time to time) and the rules made thereunder, and shall include any statutory modifications, re-enactments, or amendments thereof for the time being in force.
- 5.2 “Amalgamated Company” means Jindal United Steel Limited, as mentioned in the Para 2(a) of this Scheme.
- 5.3 “Amalgamating Company” means Jindal Coke Limited as mentioned in the Para 2(b) of the scheme and shall, subject to the relevant provisions of the Scheme, include the whole of the business and undertakings of such Amalgamating Company, including for such Amalgamating Company:
 - a) all of its movable assets, , whether present or future, whether tangible or intangible and all rights, title, interests, covenants, undertakings and continuing rights in relation thereto;
 - b) all of its immovable properties and all its rights, title, interests, covenants, undertakings and

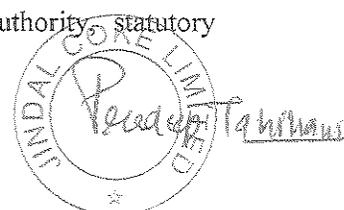
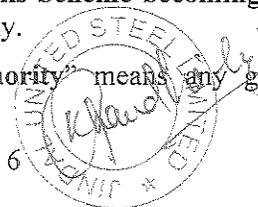


continuing rights in relation thereto including all its land (together with all the buildings and structures standing thereon), whether freehold or leasehold;

- c) all of its present and future liabilities, including contingent liabilities, charges and debts appertaining thereto;
 - d) all of its investments including shares and other securities, loans and advances, including interest and dividend accrued thereon;
 - e) all of its permits, rights, entitlements and licences (including the industrial or other licences) granted by any governmental, statutory or regulatory bodies, environmental clearances, permissions, approvals, consents, exemptions, subsidies, registrations, no-objection certificates, quotas, privileges, powers, offices, facilities whether granted/available/renewed/applied for;
 - f) all of its intellectual property rights, websites, emails, trade names, trademarks, service marks, copyrights, domain names, brand names, logos and applications therefor;
 - g) all of its indirect and direct tax credits, including but not limited to, service tax credit, CENVAT credit, GST credit, VAT credit, income-tax refunds, carry forward losses, unabsorbed depreciation, TDS, TCS, MAT credit entitlement, CSR credit available for set-off in the succeeding financial years, etc.;
 - h) all of its privileges and benefits under all contracts, agreements, memoranda of understanding and all other rights powers and facilities of every kind and description whatsoever;
 - i) all of its debts, borrowings, obligations and liabilities, present or future or contingent, whether secured or unsecured;
 - j) all of its workmen and employees including those employed at its offices, factories and branches, and all other personnel employed by it;
 - k) all of the advance monies, earnest monies as may be lying with it and any and all of its security deposits, bank and contractual guarantees and other entitlements; and
 - l) all of its other properties, assets, liabilities, rights, obligations and employees, etc. of any nature whatsoever not covered under (a) to (k) above.
- 5.4 “**Applicable Law(s)**” means all statutes, notifications, bye-laws, rules, regulations, guidelines, rules or common law, policies, codes, directives, ordinances, schemes or orders enacted or issued or sanctioned by any governmental authority, including any modification or re-enactment thereof for the time being in force.
- 5.5 “**Appointed Date**” means the opening of business hours on April 1, 2021 or such other date as may be approved by the NCLT, with effect from which the Scheme will be deemed to be effective in the manner described in the Scheme.
- 5.6 “**Board of Directors**” means the respective board of directors of the Companies and shall, unless repugnant to the context or otherwise, include any duly authorized committee of directors or any person duly authorized by the Board of Directors or such committee of directors.
- 5.7 “**Companies**” means collectively, Amalgamated Company and the Amalgamating Company.
- 5.8 “**Court**” means the Chandigarh Bench of the Hon’ble National Company Law Tribunal (“NCLT”), or such other court, forum or authority as may be vested with any of the powers of the NCLT under the Act and/or as may be having jurisdiction for sanctioning this Scheme.
- 5.9 “**Effective Date**” means the date on which the order of the Court sanctioning the Scheme or any particular parts of the Scheme, is filed with the RoC.

Any references in this Scheme to “**upon this Scheme becoming effective**” or “**effectiveness of this Scheme**” shall be construed accordingly.

- 5.10 “**Government**” or “**Governmental Authority**” means any government authority, statutory



authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof.

- 5.11 “GST” means goods and services tax.
- 5.12 “IT Act” means the Indian Income-tax Act, 1961 and the rules, regulations, circulars, notifications and orders issued thereunder including any statutory modifications, re-enactments or amendments thereof for the time being in force.
- 5.13 “MAT” means minimum alternate tax.
- 5.14 “RBI” means the Reserve Bank of India or any successor thereof.
- 5.15 “Registrar of Companies” or “RoC” means the Registrar of Companies, NCT of Delhi & Haryana and/or such other Registrar of Companies having jurisdiction over any of the Companies.
- 5.16 “Rs.” means Indian Rupees being the lawful currency of the Republic of India.
- 5.17 “Scheme of Arrangement” or “Scheme” means this composite scheme of arrangement in its present form, or with or without any modification(s), as may be approved or imposed or directed by the Court and any other Governmental Authority.
- 5.18 “TCS” means Tax Collected at Source.
- 5.19 “TDS” means Tax Deducted at Source.

The expressions, which are used but are not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Depositories Act, 1996, the IT Act and other Applicable Laws (including the Rules and Regulations made thereunder).

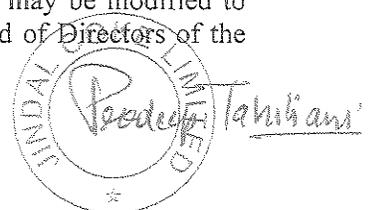
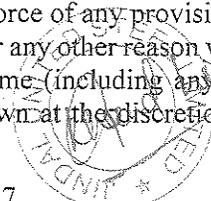
6 COMPLIANCE WITH TAX LAWS

6.1 This Scheme, in so far as it relates to the amalgamation of Amalgamating Company into the Amalgamated Company, has been drawn up to comply with the conditions relating to “Amalgamation” as specified under the tax laws, including Section 2(1B) of the IT Act, which include the following:

- a) all the properties of the Amalgamating Company immediately after the amalgamation shall become the property of the Amalgamated Company by virtue of the amalgamation;
- b) all the liabilities of the Amalgamating Company immediately after the amalgamation shall become the liabilities of the Amalgamated Company by virtue of the amalgamation;
- c) shareholders holding not less than three-fourths in value of the shares in the Amalgamating Company (other than shares already held therein immediately before the amalgamation by, or by a nominee for, the Amalgamated Company or its subsidiary) become shareholders of the Amalgamated Company by virtue of the amalgamation;

otherwise than as a result of the acquisition of the property of one company by another company pursuant to the purchase of such property by the other company or as a result of the distribution of such property to the other company after the winding up of the first-mentioned company; and shall also comply with the other relevant sections (including Sections 47 and 72A) of the IT Act.

6.2 If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date whether as a result of a new enactment or any amendment to any existing enactment or the coming into force of any provision of the IT Act or any other law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the tax laws shall prevail and this Scheme (including any parts hereof) may be modified to comply with such laws or may be withdrawn at the discretion of the Board of Directors of the



affected Companies provided however that no modification to the Scheme will be made which adversely affects the rights or interest of the secured creditors without seeking their approval. Further, such modification/withdrawal will not affect other Parts of the Scheme which have not been so modified or withdrawn.

7 CAPITAL STRUCTURE

7.1 Amalgamated Company

7.1.1 The authorised, issued, subscribed and paid-up share capital of the Amalgamated Company as on January 15, 2022 is as under:

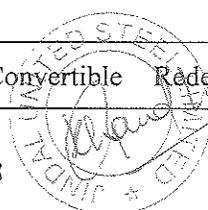
Authorised Share Capital	Amount in Rs.
55,50,00,000 Equity Shares of ₹ 10 each	5,55,00,00,000
26,50,00,000 Preference Shares of ₹ 10 each	2,65,00,00,000
Total	8,20,00,00,000
Issued, Subscribed and Paid-Up Share Capital	Amount in Rs.
46,16,08,315 Equity Shares of ₹ 10 each fully paid up	4,61,60,83,150
5,50,31,563 Non- Cumulative Compulsorily Convertible Preference Shares ₹ 10 each fully paid up	55,03,15,630
8,76,73,311 Non- Cumulative Non-Convertible Redeemable Preference Shares of ₹ 10 each fully paid up	87,67,33,110
Total	6,04,31,31,890

7.1.2 Subsequent to January 15, 2022 and until the date of the Scheme being approved by the Board of Directors of the Amalgamated Company, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Amalgamated Company.

7.2 Amalgamating Company

7.2.1 The authorised, issued, subscribed and paid-up share capital of the Amalgamating Company, as on January 15, 2022 is as under:

Authorised Share Capital	Amount in Rs.
35,050,000 Equity Shares of ₹ 10/- each	350,500,000
11,77,00,000 Preference Shares of ₹ 10/- each	1,17,70,00,000
Total	1,52,75,00,000
Issued, Subscribed and Paid Up Share Capital	Amount in Rs.
3,24,32,432 Equity Shares of ₹ 10/- each	32,43,24,320
10,92,64,641 Non- Cumulative Non-Convertible Redeemable	1,09,26,46,410



Preference Shares of ₹ 10/- each	
Total	1,41,69,70,730

7.2.2 Subsequent to January 15, 2022 and until the date of the Scheme being approved by the Board of Directors of the Amalgamating Company, there has been no change in the authorised, issued, subscribed and paid-up equity share capital of the Amalgamating Company.

PART B
AMALGAMATION OF AMALGAMATING COMPANY INTO AND WITH THE
AMALGAMATED COMPANY

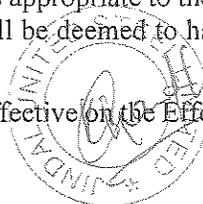
8 AMALGAMATION OF AMALGAMATING COMPANY INTO AND WITH THE
AMALGAMATED COMPANY

8.1 Upon Part B of this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, the Amalgamating Company along with all its assets, liabilities, rights and obligations and its entire business and undertakings, including all its properties, rights, benefits and interests therein, shall by virtue of this Part B of the Scheme stand amalgamated with, transferred to and vested in the Amalgamated Company, and shall become the assets, liabilities, rights, obligations, business and undertakings of the Amalgamated Company, subject to the existing encumbrances thereon in favour of banks and financial institutions, if any (unless otherwise agreed to be released by such encumbrance holders in writing), without any further act, instrument or deed being required from the Amalgamating Company and/or the Amalgamated Company and without any approval or acknowledgement of any third party, in accordance with Sections 230 to 232 of the Act read with Section 2(1B) of the IT Act and all other applicable provisions of law if any, in accordance with the provisions contained herein.

8.2 Without prejudice to the generality of the above, in particular, the Amalgamating Company shall stand amalgamated with the Amalgamated Company in the manner described in the sub-paragraphs below, subject to the existing encumbrances in favour of banks and financial institutions, if any (unless otherwise agreed to be released by such encumbrance holders in writing):-

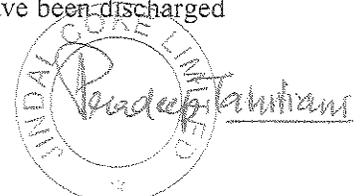
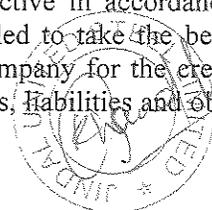
(i) Upon Part B of this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, all the assets (including investments) of the Amalgamating Company, that are movable in nature or incorporeal or intangible in nature or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by transfer or by delivery instructions in relation to dematerialized shares or by vesting and recordal pursuant to the Scheme, including plant, machinery and equipment, shall stand transferred to and vested in and/or be deemed to be transferred to and vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company, without any further act, instrument or deed required by either of the Amalgamating Company or the Amalgamated Company and without any approval or acknowledgement of any third party. The transfer and vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by delivery instructions in relation to dematerialized shares or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being transferred and vested and the title to such property shall be deemed to have been transferred and vested accordingly.

(ii) Upon Part B of this Scheme becoming effective on the Effective Date and with effect from



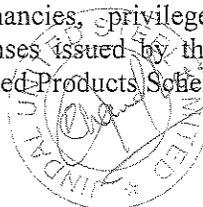
the Appointed Date, any and all other movable properties of the Amalgamating Company (except those specified elsewhere in this Clause), including cash and cash equivalents, sundry debts and receivables, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, actionable claims, bank balances and deposits, if any, with any person or body including without limitation any government, semi-government, local and other authorities and bodies, customers and other persons shall, without any further act, instrument or deed required by either of the Amalgamating Company or the Amalgamated Company and without any approval or acknowledgement of any third party, become the property of the Amalgamated Company.

- (iii) Upon Part B of this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, all immovable properties of the Amalgamating Company, including without limitation, all land together with all buildings and structures standing thereon and all rights and interests therein as set out in **Schedule 1** hereto (*Details of Immovable Properties of Amalgamating Company*), whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand transferred and be vested in and/or be deemed to have been transferred and vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company, without any further act, instrument or deed being required from the Amalgamating Company and/or the Amalgamated Company and without any approval or acknowledgement of any third party. Upon Part B of the Scheme becoming effective on the Effective Date, the Amalgamated Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay all rent, charges and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The Amalgamated Company shall be entitled to seek mutation/substitution of title in its name in such immovable properties, for the purposes of information and record and such mutation / substitution of the title to and interest in such immovable properties shall be made and duly recorded in the name of the Amalgamated Company, by the appropriate authorities pursuant to the sanction of the Scheme by the Court and Part B of the Scheme becoming effective on the Effective Date in accordance with the terms hereof. However, it is hereby clarified that the absence of any such mutation/substitution shall not adversely affect the rights, title or interest of the Amalgamated Company in such immovable properties which shall be deemed to have been transferred to the Amalgamated Company automatically upon the Part B of the Scheme becoming effective on the Effective Date.
- (iv) Upon Part B of this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of accounts of the Amalgamating Company or disclosed in the balance sheets of the Amalgamating Company shall become and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company without any further act, instrument or deed being required from the Amalgamating Company and/or the Amalgamated Company and without any approval or acknowledgement of any third party. The Amalgamated Company undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person, who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause. However, the Amalgamated Company shall, if required, file appropriate forms with the RoC accompanied by the sanction order of the Court or a certified copy thereof and execute necessary deeds or documents in relation to creation/satisfaction/modification of charges to the satisfaction of the lenders, pursuant to Part B of this Scheme becoming effective in accordance with the terms hereof. The Amalgamated Company shall be entitled to take the benefit of all duties and charges already paid by the Amalgamating Company for the creation/modification of any such security interest. Where any of the loans, liabilities and obligations have been discharged



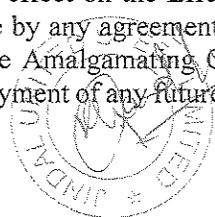
by the Amalgamating Company after the Appointed Date but before the Effective Date, such discharge shall be deemed to have been done by the Amalgamating Company for and on behalf of the Amalgamated Company.

- (v) Upon Part B of this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, shares issued by the Amalgamated Company to the shareholders of the Amalgamating Company (being such shareholders whose existing shares in the Amalgamating Company are pledged with the lenders) will stand pledged to the lenders of the Amalgamating Company on the same terms and conditions basis which the existing shares have been pledged with lenders of the Amalgamating Company. However, the Amalgamated Company shall, if required, file appropriate forms and execute necessary deeds or documents for the creation of such pledges, including making the necessary filings with the depository.
- (vi) Upon Part B of this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, all loans, advances, trade receivables and other obligations or liabilities due from, or any guarantees or similar obligations undertaken on behalf of the Amalgamating Company to / by the Amalgamated Company or *vice versa*, if any, and all contracts between the Amalgamating Company and the Amalgamated Company shall stand automatically cancelled and terminated and shall be of no effect, without any further act, instrument or deed being required from either the Amalgamating Company and/or the Amalgamated Company and without any approval or acknowledgement of any third party. No further taxes, fees, duties or charges shall be required to be paid by the Amalgamated Company on account of such cancellation or termination.
- (vii) Upon Part B of the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all incorporeal or intangible property of or in relation to the Amalgamating Company shall stand transferred to and vested in the Amalgamated Company, and shall become the property and an integral part of the Amalgamated Company without any further act, instrument or deed required by either the Amalgamating Company and/or the Amalgamated Company and without any approval or acknowledgement of any third party.
- (viii) Upon Part B of the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all letters of intent, memoranda of understanding, memoranda of agreements, tenders, bids, letters of award, expressions of interest, experience and/or performance statements, contracts, deeds, bonds, agreements, guarantees and indemnities, schemes, arrangements, undertakings and other instruments of every nature and description including without limitation, those relating to tenancies, privileges, powers and facilities of every kind and description, to which the Amalgamating Company is a party or to the benefit of which the Amalgamating Company may be eligible or under which the Amalgamating Company is an obligor (except to the extent provided in this Clause) and which are subsisting or having effect immediately prior to Part B of the Scheme coming into effect on the Effective Date, shall be and shall remain in full force and effect against or in favour of the Amalgamated Company and may be enforced by or against it as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee or obligor thereto, without any further act, instrument or deed being required from the Amalgamating Company and/or the Amalgamated Company and without any approval or acknowledgement of any third party.
- (ix) Upon Part B of the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all statutory or regulatory licenses and permits including without limitation, all such licenses and permits as set out in, grants, allotments, recommendations, no-objection certificates, permissions, registrations, approvals, certificates, consents, quotas, exemptions, clearances, tenancies, privileges, powers, offices, facilities, entitlements or rights (including licenses issued by the DGFT under EPCG Scheme, Advance Authorization Scheme, Focused Products Scheme, Focused Marketing Scheme,



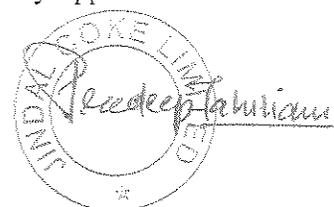
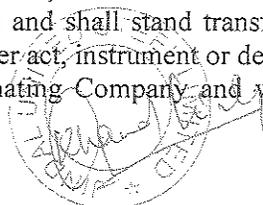
Duty Drawback Scheme and other schemes or approvals of a like nature issued by the DGFT) granted/available/renewed/applied for, to or by the Amalgamating Company shall stand transferred to and vested in the Amalgamated Company, without any further act, instrument or deed being required by the Amalgamating Company and/or the Amalgamated Company and without any approval or acknowledgement of any third party. Upon Part B of the Scheme coming into effect on the Effective Date, the Amalgamated Company shall be entitled to all the benefits thereof and shall be liable for all the obligations thereunder. In relation to the same, any procedural requirements required to be fulfilled solely by Amalgamating Company (and not by any of their successors), shall be fulfilled by the Amalgamated Company as if it is the duly constituted attorney of the Amalgamating Company. It is hereby clarified that if the consent or approval (by whatever name called) of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall duly record provide such consent or approval and shall make the necessary substitution/endorsement in the name of the Amalgamated Company pursuant to the sanction of this Scheme by the Court, and upon Part B of this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Amalgamated Company may file appropriate applications/documents with relevant authorities concerned for information and record purposes. However, it is hereby clarified that the absence of any such substitution/endorsement shall not adversely affect the rights, benefits or interest of the Amalgamated Company which shall be deemed to have been transferred to the Amalgamated Company automatically upon the Part B of the Scheme becoming effective on the Effective Date.

- (x) Upon Part B of the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all workmen and employees of the Amalgamating Company, who are on its payrolls and all other personnel employed by the Amalgamating Company shall become employed by the Amalgamated Company with effect from the Effective Date, on such terms and conditions as are no less favourable than those on which they were engaged with the Amalgamating Company immediately prior to the Effective Date, without any interruption of service as a result of this amalgamation and transfer. With regard to provident fund, gratuity fund, superannuation fund and any contributions required to be made in relation to employees under any statute or regulation, leave encashment and any other special scheme or benefits created or existing for the benefit of the personnel employed by the Amalgamating Company immediately prior to Part B of the Scheme coming into effect on the Effective Date and transferred to the Amalgamated Company, the Amalgamated Company shall stand substituted for the Amalgamating Company for all intents and purposes whatsoever, upon Part B of this Scheme becoming effective on the Effective Date, including with regard to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents and/or in accordance with the provisions of Applicable Laws or otherwise. All existing contributions made to such schemes and funds and all benefits accrued thereto shall also stand transferred in the name of the Amalgamated Company and all such benefits and schemes shall be continued by the Amalgamated Company for the benefit of such personnel employed by the Amalgamating Company and transferred to the Amalgamated Company, on the same terms and conditions. Further, it is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Amalgamating Company in relation to such schemes or funds shall become those of the Amalgamated Company. It is clarified that the services of all personnel employed by the Amalgamating Company who are entitled to the benefits under such schemes and funds, will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds.
- (xi) Upon Part B of the Scheme coming into effect on the Effective Date the Amalgamated Company undertakes to continue to abide by any agreement(s)/settlement(s) entered into with any labour unions/employees by the Amalgamating Company. The Amalgamated Company agrees that for the purpose of payment of any future retrenchment compensation,



gratuity and other terminal benefits, the past services of such employees, if any, with the Amalgamating Company, as the case may be, shall also be taken into account, and agrees and undertakes to pay the same as and when payable. Further, upon Part B of the Scheme coming into effect on the Effective Date, any prosecution or disciplinary action initiated, pending or contemplated against and any penalty imposed in this regard on any employee by the Amalgamating Company shall be continued or shall continue to operate against the relevant employee and shall be enforced effectively by the Amalgamated Company.

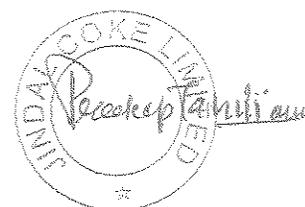
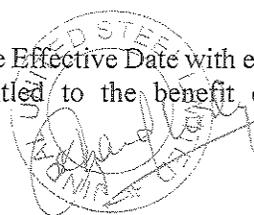
- (xii) Upon Part B of the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all rights, entitlements, licenses, applications and registrations relating to trademarks, service marks, copyrights, domain names, brand name, logos, patents and other intellectual property rights of every kind and description, including without limitations, whether registered, unregistered or pending registration, and the goodwill arising therefrom, if any, to which the Amalgamating Company is a party or to the benefit of which the Amalgamating Company may be eligible or entitled, shall stand transferred to and vested in the Amalgamated Company, and shall become the rights, entitlement or property of the Amalgamated Company and shall be enforceable by or against the Amalgamated Company, as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto or the holder or owner thereof, without any further act, instrument or deed required by either of the Amalgamating Company or the Amalgamated Company and without any approval or acknowledgement of any third party.
- (xiii) Upon Part B of the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Amalgamated Company shall be entitled to the benefit of all insurance policies (if any) which have been issued in respect of Amalgamating Company and/or any of its assets or employees and the name of the Amalgamated Company shall stand substituted as the "Insured" in all such policies as if the Amalgamated Company was originally a party thereto without any further act, instrument or deed required by either of the Amalgamating Company or the Amalgamated Company and without any approval or acknowledgement of any third party. Further, the Amalgamated Company shall be entitled to the benefit of all claims filed, prosecuted, proposed to be filed, pending and/or adjudicated in relation to all insurance policies issued in respect of Amalgamating Company and/or any of its assets or employees.
- (xiv) Upon Part B of the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all taxes and duties of whatsoever description (including but not limited all carry forward tax losses comprising of unabsorbed depreciation, advance tax payments, TDS, TCS, MAT, securities transaction tax, taxes withheld/paid in a foreign country, customs duty, entry tax, value added tax, GST, sales tax, service tax, CSR Credit available for set-off, etc.) payable by or refundable to the Amalgamating Company, including all or any refunds or claims shall be treated as the tax liability or refunds/claims, as the case may be, of the Amalgamated Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to the Amalgamating Company, shall pursuant to this Scheme becoming effective, be available to the Amalgamated Company without any further act, instrument or deed required by either of the Amalgamating Company or the Amalgamated Company and without any approval or acknowledgement of any third party but in the manner more particularly set out herein below. Upon Part B of the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all existing and future incentives, un-availed credits and exemptions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including MAT), excise (including Modvat/Cenvat), customs, value added tax, sales tax, service tax to which the Amalgamating Company is entitled shall be available to and shall stand transferred and vested in the Amalgamated Company without any further act, instrument or deed required by either the Amalgamated Company or the Amalgamating Company and without any approval or



acknowledgement of any third party. Upon Part B of the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, any tax deducted at source deducted by or on behalf of the Amalgamating Company until the Effective Date shall be deemed to have been deducted on behalf of the Amalgamated Company.

- (xv) Upon Part B of the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Amalgamated Company shall be entitled to claim the benefit of any and all corporate approvals and limits as may have already been taken by the Amalgamating Company, including without limitation, the approvals and limits under Sections 62, 179, 180, 185, 186, 188 etc., of the Act, until the time the same are duly modified by the Amalgamated Company.
- (xvi) Upon Part B of the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all other estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Amalgamating Company shall be deemed to have been accrued to and/or acquired for and on behalf of the Amalgamated Company and shall, upon Part B of this Scheme coming into effect, pursuant to the provisions of the Act, without any further act, instrument or deed be and stand transferred to or vested in and/or be deemed to have been transferred to or vested in the Amalgamated Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Amalgamated Company.
- (xvii) Upon Part B of the Scheme coming into effect on the Effective Date, all books, record files, papers, computer programs, engineering and process information, manuals, data, production methodologies, production plans, designs, catalogues, quotations, websites, cloud storage, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, and other records whether in physical form or electronic form or in any other form in connection with or relating to the Amalgamating Company shall be deemed to have been transferred to or acquired for and on behalf of the Amalgamated Company and shall, upon Part B of this Scheme coming into effect, without any further act, instrument or deed be and stand transferred to or vested in and/or be deemed to have been transferred to or vested in the Amalgamated Company.
- (xviii) Upon Part B of the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Amalgamated Company shall bear the burden and the benefits of any legal, tax, quasi-judicial, administrative, regulatory or other proceedings initiated by or against the Amalgamating Company. If any suit, appeal or other proceeding of whatsoever nature by or against the Amalgamating Company shall be pending as on the Effective Date, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the merger of such Amalgamating Company and transfer and vesting of the same in the Amalgamated Company or of anything contained in Part B of this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Amalgamated Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Amalgamating Company as if Part B of this Scheme had not been made effective. Upon Part B of the Scheme becoming effective, the Amalgamated Company undertakes to have such legal or other proceedings initiated by or against the Amalgamating Company transferred in its name and to have the same continued, prosecuted and enforced by or against the Amalgamated Company to the exclusion of the Amalgamating Company. The Amalgamated Company also undertakes to handle all legal or other proceedings which may be initiated against the Amalgamating Company after the Effective Date in its own name and account and further undertakes to pay all amounts including interest, penalties, damages etc., pursuant to such legal/ other proceedings.

8.3 Upon Part B of the Scheme coming into effect on the Effective Date with effect from the Appointed Date, the Amalgamated Company shall be entitled to the benefit of the past experience,



accreditation and/or performance of the Amalgamating Company for all purposes without any further act, instrument or deed required by either of the Amalgamating Company or the Amalgamated Company and without any approval or acknowledgement being required from any third party. If any instrument or deed or document is required or deemed necessary or expedient to give effect to the provisions of this Clause by the Amalgamated Company, the Amalgamated Company shall, under the provisions of Part B of the Scheme, be deemed to be duly authorized to execute all such writings on behalf of the Amalgamating Company and to carry out or perform all such formalities or compliances referred to above on behalf of the Amalgamating Company.

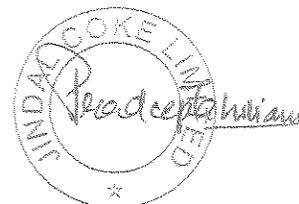
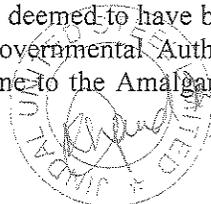
- 8.4 Upon Part B of the Scheme coming into effect on the Effective Date with effect from the Appointed Date, the Amalgamated Company would be entitled to claim, under Lower Tax Regime under Section 115BAA of the Income Tax Act, 1961, if the same is beneficial to the Amalgamated Company and the Amalgamated Company would be entitled to submit such documents either in online format and by Manual Application, if the effective date falls after the due date of filing a Revised Return of Income or Claim of Lower Tax Regime under Section 115BAA of the Income Tax Act, 1961.

9 CONDUCT OF AFFAIRS UNTIL THE EFFECTIVE DATE

- 9.1 In the event, Part B of this Scheme becomes effective and with effect from the Appointed Date and up to and including the Effective Date:
- (i) the Amalgamating Company shall be deemed to have carried on the business activities of the Amalgamating Company and stand possessed of the properties and assets of the Amalgamating Company, for, on behalf of and in trust for, the Amalgamated Company; and
 - (ii) all profits or income accruing to or received by the Amalgamating Company and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, tax collected at source, minimum alternate tax, fringe benefit tax, securities transaction tax, taxes withheld/paid in a foreign country, customs duty, entry tax, value added tax, goods and services tax, sales tax, service tax etc.) or losses arising in or incurred by the Amalgamating Company shall, for all purposes, be treated as and deemed to be the profits, income, taxes or losses, as the case may be, of the Amalgamated Company.
- 9.2 The Amalgamated Company shall also be entitled, pending the sanction of this Scheme, to apply to the central government, state government, and all other agencies, departments, statutory authorities and Governmental Authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Amalgamated Company may require including the registration, approvals, exemptions, reliefs, etc., as may be required/granted under any Applicable Law for the time being in force for carrying on the business of the Amalgamating Company.

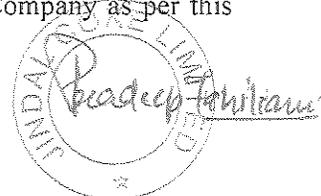
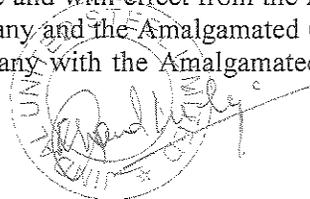
10 TREATMENT OF TAXES

- 10.1 Upon Part B of this Scheme becoming effective and with effect from the Appointed Date, any surplus in the provision for taxation/ duties/ levies account including but not limited to the advance tax, TDS or TCS and MAT credit, CENVAT credit or, GST Credit, as on the date immediately preceding the Appointed Date will also be transferred from the Amalgamating Company to the Amalgamated Company. Any refund under the IT Act or other Applicable Laws dealing with taxes/ duties/ levies, including GST, allocable or related to the business of Amalgamating Company or due to the Amalgamating Company, consequent to the assessment made in respect of the Amalgamating Company, for which no credit is taken in the book of accounts of the Amalgamating Company as on the date immediately preceding the Appointed Date, shall also belong to and be received by the Amalgamated Company and shall be deemed to have been on account of or paid by the Amalgamated Company and the relevant Governmental Authorities shall be bound to transfer to the account of and give credit for the same to the Amalgamated Company upon the



approval of this Scheme by the Court and upon relevant proof and documents being provided to the said authorities.

- 10.2 Without prejudice to the generality of the above, deductions, benefits, right to carry forward and set off accumulated losses and unabsorbed depreciation, and credits (including but not limited to MAT/CENVAT credits etc.) under the IT Act, Goods and Services Tax or Service Tax, any other central government / state government incentive schemes etc., to which the Amalgamating Company are/ would be entitled to in terms of the Applicable Laws of the central and state government or of any foreign jurisdictions, shall be available to and vest in the Amalgamated Company.
- 10.3 Upon Part B of this Scheme becoming effective and with effect from the Appointed Date, the tax payments (including without limitation income tax, GST, tax on distribution of dividends, excise duty, central sales tax, custom duty, applicable state value added tax and entry tax or any other taxes as may be applicable from time to time) whether by way of tax deducted at source or collected at source by the parties, advance tax or otherwise howsoever, by the Amalgamating Company on or after the Appointed Date, shall be deemed to be paid by the Amalgamated Company and the Amalgamated Company shall be entitled to claim credit for such taxes/duties paid against its tax/duty liabilities, notwithstanding that the certificates/ challans or other documents for payment of such taxes/duties are in the name of Amalgamating Company.
- 10.4 Upon Part B of the Scheme becoming effective on the Effective Date and with effect from the Appointed Date, the Amalgamating Company and the Amalgamated Company are expressly permitted to prepare and/or revise, as the case may be, their financial statements and statutory / tax returns along with the prescribed forms, filings and annexures under the IT Act and/or in relation to central sales tax, custom duty, entry tax, applicable state value added tax, GST and other tax laws, if required, to give effect to the provisions of the Scheme.
- 10.5 Upon Part B of this Scheme becoming effective and with effect from the Appointed Date, all inter-party transactions between Amalgamating Company and the Amalgamated Company shall be considered as intra-party transactions for all purposes (including for tax compliances, credits, refunds, etc.).
- 10.6 Upon Part B of this Scheme becoming effective and with effect from the Appointed Date, obligation for deduction of tax at source on any payment made by or to be made by the Amalgamating Company or for collection of tax at source on any supplies made by or to be made by Amalgamating Company shall be made or deemed to have been made and duly complied with by the Amalgamated Company. Further, any tax deducted at source or collected at source by the Amalgamating Company and Amalgamated Company on transactions with each other, if any (from the Appointed Date until Effective Date) and deposited with Governmental Authorities shall be deemed to be advance tax paid by the Amalgamated Company and shall, in all proceedings be dealt with accordingly.
- 10.7 Upon Part B the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all tax compliances under any tax laws by the Amalgamating Company on or after the Appointed Date shall be deemed to be made by the Amalgamated Company.
- 10.8 Upon Part B of this Scheme becoming effective and with effect from the Appointed Date, all tax assessment proceedings and appeals of whatsoever nature by or against the Amalgamating Company, pending or arising as at the Effective Date, shall be continued and/enforced by or against the Amalgamated Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Amalgamating Company. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by the reason of the amalgamation of the Amalgamating Company with the Amalgamated Company or anything contained in Part B of this Scheme.
- 10.9 Upon Part B of this Scheme becoming effective and with effect from the Appointed Date, all the expenses incurred by the Amalgamating Company and the Amalgamated Company in relation to the amalgamation of the Amalgamating Company with the Amalgamated Company as per this



Scheme, including stamp duty expenses and / or transfer charges, if any, shall be allowed as deduction to Amalgamated Company in accordance with Section 35DD of the IT Act over a period of 5 (five) years beginning with the previous year in which Part B of the Scheme becomes effective.

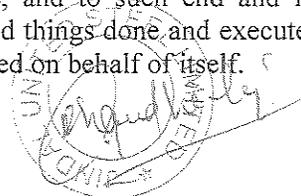
- 10.10 Upon Part B of this Scheme becoming effective and with effect from the Appointed Date, all the deductions otherwise admissible to the Amalgamating Company, including payment admissible on actual payment or on deduction of appropriate taxes or on payment of TDS (like Section 43B, Section 40, Section 40A etc. of the IT Act) will be eligible for deduction to the Amalgamated Company upon fulfilment of required conditions under the IT Act.
- 10.11 The amalgamation under this Scheme is in compliance with the IT Act, specifically Section 2(1B) and other relevant provisions. If any of the terms of this Scheme are inconsistent with the provisions of Sections 2(1B) of the IT Act, the provisions of Sections 2(1B) of the IT Act shall to the extent of such inconsistency, prevail and this the Scheme shall, stand and be deemed to be modified to that extent to comply with the said provisions.

11 CONDUCT OF AFFAIRS AFTER THE EFFECTIVE DATE

- 11.1 The Amalgamated Company, shall, at any time after Part B of this Scheme becomes effective on the Effective Date, in accordance with the provisions hereof, if so required under any law, contract or otherwise, be entitled to do and take all such actions as may be required to give full effect to the provisions of this Part B and for this purpose the Amalgamated Company shall, under the provisions hereof, be deemed to be authorised on behalf of the Amalgamating Company. Without prejudice to the generality of the above, the Amalgamated Company shall be entitled and deemed to be authorised to:-
- (i) execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement (including without limitation any bank guarantee, performance guarantee, fixed deposit, letters of credit, bill of entry etc.) in relation to which the Amalgamating Company have been a party or to the benefit of which the Amalgamating Company may have been entitled, and to make any filings with the Governmental Authorities, in order to give formal effect to the provisions of Part B of the Scheme; and
 - (ii) do all such acts or things as may be necessary to effectually transfer/obtain in favour of the Amalgamated Company the approvals, consents, bids, awards, tenders, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates etc. which were held or enjoyed by the Amalgamating Company including without limitation, execute all necessary or desirable writings and confirmations on behalf of the Amalgamating Company and to carry out and perform all such acts, formalities and compliances as may be required in this regard.
- 11.2 The provisions of this Clause shall operate notwithstanding anything to the contrary contained in any deed or writing or certificate or license or the terms of sanction or issue or any security, all of which instruments and documents shall stand modified and/or superseded by the foregoing provisions.

12 SAVING OF CONCLUDED TRANSACTIONS

Except as expressly provided hereunder including in Clause 10.4 and Clause 10.5, the transfer of properties and liabilities to, and the continuance of proceedings by or against, the Amalgamated Company as envisaged in this Part B shall not affect any transaction or proceedings already concluded by the Amalgamating Company on or before the Appointed Date and after the Appointed Date and until the Effective Date, and to such end and intent the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Amalgamating Company in respect thereto as done and executed on behalf of itself.



13 CHANGE IN AUTHORISED SHARE CAPITAL OF THE AMALGAMATED COMPANY

- 13.1 Upon this Scheme becoming effective on the Effective Date, the authorised share capital of Amalgamating Company as on the Effective Date shall stand transferred to and be merged/amalgamated with the authorised share capital of the Amalgamated Company, and the fee, if any, paid by the Amalgamating Company on its authorised share capital shall be set off against any fee payable by the Amalgamated Company on such increase in its authorised share capital, consequent to the amalgamation. Accordingly, Clause V of the Memorandum of Association of the Amalgamated Company shall stand modified and shall read as under:-

“The Authorised Share Capital of the Company is INR 9,72,75,00,000 (Rupees Nine Hundred Seventy Two Crores and Seventy Five Lakhs) consisting of 59,00,50,000 (Fifty Nine Crores and fifty thousand) Equity Shares having face value of INR 10 (Rupees Ten) and 38,27,00,000 (Thirty Eight Crores and Twenty Seven Lakh) preference shares having face value of INR 10 (Rupees Ten)”

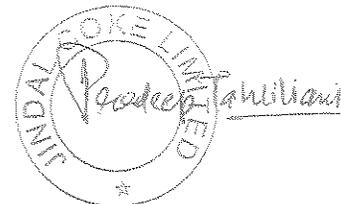
- 13.2 It is hereby clarified that the consent of the shareholders of the Amalgamated Company and shareholders of the Amalgamating Companies to Part B of this Scheme shall be sufficient for the purposes of effecting the aforesaid additions in the Memorandum of Association of the Amalgamated Company and that no further resolutions, whether under the applicable provisions of the Act or under the Articles of Association, shall be required to be separately passed. All actions taken in accordance with this Clause shall be deemed to be in full compliance of Sections 61 and 64 and other applicable provisions of the Act and rules and regulations issued thereunder and no further resolutions or actions under any other provisions of the Act or the rules or regulations issued thereunder would be required to be separately passed or undertaken by the Amalgamated Company.

14 AMENDMENT TO OBJECTS OF THE AMALGAMATED COMPANY

- 14.1 Upon Part B of the Scheme becoming effective from the Effective Date, the following sub-clause shall be deemed to have been automatically added to Clause III (A) (*Main Objects*) of the Memorandum of Association of the Amalgamated Company immediately after the existing sub-clauses of Clause III (A) and the “Objects Clause” in the Memorandum of Association of the Amalgamated Company shall be deemed to have been amended to that extent by inserting below clause in the main objects of the Amalgamated Company:-

“To carry on the business of manufactures, processors, refiners, smelters, makers, converts, finishers, importers, exporters, agents, merchants, buyers, sellers and dealers in all kinds and forms of steels including tools and alloy steels, stainless and all other special steels, iron and other metals and alloys, all kinds of goods, products, articles or merchandise whatsoever manufactured wholly or partly from steels and other metals and alloys; and also the business and iron masters, steel and metal converters, colliary proprietors, coke manufacturers, ferroalloy manufactures, miners, smelters and engineers in all their respective branches and to search for, get, work, raise, make, merchantable, manufacture, process, buy, sell and otherwise deal in iron, Pig Iron, Granulated slag, Iron Ore Fines, steel and other metal, coal, coke, brick-earth, fire-clay, bricks, ores, minerals and mineral substances, gases, alloy. Metal, metal scrap, chemicals and chemical substances of all kinds and to set up Steel and non-ferrous melting furnaces, converters, AP Lines and casting facilities to produce stainless steel, ferrous and non-ferrous metals, alloy steels, steel and non-ferrous ingots, continuous cast slabs, blooms, rounds, billets of various cross-sections, alloys and special steel, to make and deal in ferrous/non-ferrous and special alloys & steels including non-metallic for the purpose of use in Defence, Aero & Space, nuclear and for other applications.

To carry on the business of purchase, sale, manufacture, process, import, export, buyers, sellers, traders, merchants, distribution, deal in, to act as indent or agent, commission agent, distributors, whole sellers, retailers, broker, contractor, or otherwise deal with raw and process materials, semi



products and end products of Low ash metallurgical Coke, carbon, chemicals, coal, coke, petroleum coke products, calcined petroleum coke, ferro alloys, electrodes, petro products and petro products of all kinds & specification and other allied items and industrial raw materials.

To manufacture, purchase, sell, deal in soft coke, special smokeless fuel (SSF) with coal tar recovered by CMPDIL Technology, Industrial coke, coke as substitute to charcoal, processing and distillation of coal tar, coal tar chemicals, any other type of coke and organic chemicals based on carbon and tar directives, charcoal, bone charcoal, activated charcoal, activated carbon, black or any other carbon products, dyes dye intermediaries, coal mining, use of waste heat for processing and production of any other article etc.

To carry on in all its branches the business of manufacturers and dealers in carbon black of all types, gas black, ebony black, jet black, hydrocarbon black, Satin black and silicate of carbon either from natural and/or artificial gas or from other source.

To carry on all or any of the business of manufacturing, developing, assemblers, filters, engineers, consultants, erectors, founders, smelters, refiners, makers, drawers, sinkers, miners, workers, repairers, hire purchase dealers, import and export agents, representatives, contractors and dealers of and in forging, casting of steel, stainless and special steels, carbon steel and mild steel, alloys and ferrous and non-ferrous metals, auto parts, tools and implements, dies, jigs, steel pipes and tubes and pipe fittings, iron and steel products, cast iron and steell and tubular structural.”

- 14.2 It is hereby clarified that the consent of the shareholders of the Amalgamated Company and shareholders of the Amalgamating Companies to Part B of this Scheme shall be sufficient for the purposes of effecting the aforesaid amendments in the “Objects Clause” in the Memorandum of Association of the Amalgamated Company and that no further resolutions, under the applicable provisions of the Act, shall be required to be separately passed. All actions taken in accordance with this Clause 14 of Part B of this Scheme shall be deemed to be in full compliance of Section 13 and other applicable provisions of the Act and rules and regulations issued thereunder and no further resolutions or actions under any other provisions of the Act or the rules or regulations issued thereunder would be required to be separately passed or undertaken by the Amalgamated Company.

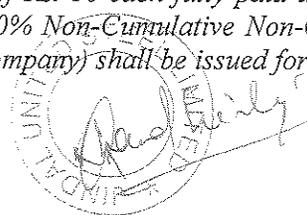
15 DISCHARGE OF CONSIDERATION

- 15.1 Upon Part B of the Scheme coming into effect on the Effective Date, and upon the amalgamation of the Amalgamating Company into and with the Amalgamated Company, the Amalgamated Company shall, without any further act or deed, consent or instrument, issue and allot its shares on a proportionate basis to shareholders of the Amalgamating Company, whose name is recorded in the register of shareholders of the Amalgamating Company as on the Effective Date, as under, in consideration for the amalgamation of the Amalgamating Company with and into the Amalgamated Company.

- 15.2 Based on (i) the valuation report issued by Niranjana Kumar, a registered valuer, dated January 28th 2022, the Board of directors have determined the following share exchange ratio:

“10,765 (Ten Thousand Seven Hundred and Sixty Five) fully paid up equity shares of face value of Rs. 10 each of the Amalgamated Company shall be issued and allotted as fully paid up equity shares to the equity shareholders of the Amalgamating Company, for every 1,000 (One Thousand) fully paid up equity shares of face value of Rs. 10 each held by them in the Amalgamating Company.”

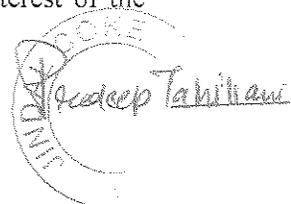
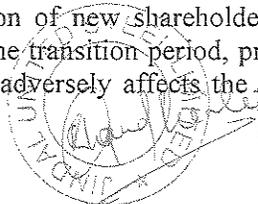
“1 (One) 10% Non-Cumulative Non-Convertible Redeemable Preference Shares of the Amalgamated Company having a face value of Rs. 10 each fully paid-up (with same terms and conditions in all respect as that of existing 10% Non-Cumulative Non-Convertible Redeemable Preference Shares issued by Amalgamating Company) shall be issued for every 1 (One) fully paid



up Non- Cumulative Non-Convertible Redeemable Preference shares of face value of Rs. 10 each held by them in the Amalgamating Company.”

Any fractional entitlement of shares arising out of the aforesaid share exchange process, if any, will be rounded off to the nearest higher integer.

- 15.3 In the event of any increase in the issued, subscribed or paid up share capital of the Amalgamating Company or the Amalgamated Company or issuance of any instruments convertible into equity shares or restructuring of its equity share capital including by way of share split/consolidation/issue of bonus shares, free distribution of shares or instruments convertible into equity shares or other similar action in relation to share capital of the Amalgamating Company or the Amalgamated Company at any time as of the Effective Date, the share exchange ratio shall be adjusted appropriately to take into account the effect of such issuance or corporate actions and assuming conversion of any such issued instruments convertible into equity shares.
- 15.4 The new equity shares of the Amalgamated Company issued as per this Clause shall be subject to the Memorandum and Articles of Association of Amalgamated Company and shall rank *pari passu* in all respects, including dividend and voting rights, with the existing equity shares of the Amalgamated Company.
- 15.5 The issue and allotment of new equity / preference shares by Amalgamated Company to the shareholders of the Amalgamating Company as provided in this Part B of the Scheme is an integral part thereof and shall be deemed to have been carried out in full compliance with all the procedures laid down under Section 62 read with Section 42 of the Act and any other applicable provisions of the Act and the rules and regulations issued thereunder.
- 15.6 In accordance with the regulatory requirements, all new equity / preference shares required to be issued by the Amalgamated Company to the shareholders of the Amalgamating Company shall be issued in dematerialized form and shall be credited to the depository account of the equity / preference shareholders of the Amalgamating Company to the extent the details of such depository participant accounts have been provided to/are available with the Amalgamating Company before the Effective Date.
- 15.7 For the purpose of allotment of equity shares of Amalgamated Company pursuant to the above sub-Clause 15.2 of Part B of the Scheme, in case any shareholder of the Amalgamating Company on the Effective Date holds equity shares in the Amalgamating Company in physical form and/or details of the depository participant account of such shareholder have not been provided to the Amalgamating Company before the Effective Date, the Amalgamated Company shall not issue its equity shares to such shareholder but shall subject to Applicable Laws, issue the corresponding number of equity shares in dematerialised form, to a demat account held by a trustee nominated by the Board of Directors of Amalgamated Company or into a suspense account opened in the name of the Amalgamated Company with a depository participant or into an escrow account opened by the Amalgamated Company with a depository, as determined by the Board of the Amalgamated Company. The equity shares of the Amalgamated Company so held in a trustee's account or suspense account or escrow account, as the case may be, shall be transferred to the respective shareholder as per his entitlement once such shareholder provides details of his / her / its depository participant account to the Amalgamated Company in accordance with Applicable Laws, along with such documents as maybe required under Applicable Laws.
- 15.8 Approval of this Scheme by the shareholders of the Amalgamated Company shall be deemed to mean that the shareholders have also accorded all relevant consents under the Act for the issue and allotment of the new Equity / Preference Shares by the Amalgamated Company to the shareholders of the Amalgamating Company.
- 15.9 The Board of Directors (including any committee thereof) of Amalgamating Company and the Amalgamated Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Amalgamated Company on account of the difficulties if any in the transition period, provided however that no modification to the Scheme will be made which adversely affects the rights or interest of the



secured creditors without seeking their approval.

16 DISSOLUTION OF AMALGAMATING COMPANY

Upon Part B of this Scheme becoming effective on the Effective Date, Amalgamating Company shall stand automatically dissolved as an integral part of this Scheme, without being liquidated or wound-up and without requiring any further act, instrument or deed from the Amalgamating Company and/or the Amalgamated Company.

17 ACCOUNTING TREATMENT

Upon Part B of the Scheme becoming effective, with effect from the Appointed Date, the Amalgamated Company shall account for the amalgamation in its books of accounts, as per 'Acquisition Method' in accordance with accounting principles as laid down in Ind AS-103 notified under Section 133 of the Act and under the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time, such that:

- (i) In line with the recognition principles provided under Indian Accounting Standard 103 on Business Combinations, the Amalgamated Company shall recognise all assets and liabilities of the Amalgamating Company transferred to and vested in the Amalgamated Company pursuant to Part B of this Scheme at their respective fair values as on the Appointed Date. Such assets may also include acquired identifiable intangible assets, whether previously recorded in the books of accounts of the Amalgamating Company or not. Upon Part B of the Scheme coming into effect, the above recognition shall result in the Amalgamated Company recording all the assets and liabilities of the Amalgamating Company transferred to and vested in it pursuant to this Scheme.
- (ii) The Amalgamated Company shall record issuance of the new equity shares at fair value and accordingly credit to its share capital account the aggregate face value of the new equity shares issued by the Amalgamated Company. The excess of the fair value of the new equity shares over the face value of new equity shares issued by the Amalgamated Company in accordance with Clause 15 shall be credited to the securities premium account.
- (iii) Inter-company balances between the Amalgamated Company and the Amalgamating Company, if any, shall stand cancelled and there shall be no further obligation in that behalf.
- (iv) Excess, if any, of fair value of new equity shares issued as per sub-Clause (ii) above over the fair value of net assets taken over as per sub-Clause (i) above, after giving the effect to sub-Clause (iii) above, shall be recorded as goodwill. In case of deficit, it shall be credited to capital reserve account.

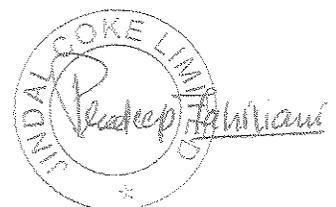
PART C

GENERAL TERMS AND CONDITIONS

18 CONDITIONALITY OF THE SCHEME

18.1 The effectiveness this Scheme is conditional upon and subject to the following:

- (a) This Scheme being approved by the requisite majorities of such classes of shareholders and creditors of the Companies as may be required under Applicable Laws or as may be directed by the Court;
- (b) the sanction of the Scheme by the Court;



- (c) the receipt of such other approvals including approvals of any Governmental Authority as may be necessary under Applicable Laws or under any material contract to make this Scheme or the relevant Part of this Scheme effective; and
- (d) the certified copies of the order of the Court sanctioning this Scheme (wholly or partially) being filed with the Registrar of Companies by each of the relevant Companies.

19 EFFECTIVENESS OF THE SCHEME

19.1 Subject to Clause 18 of this Scheme, upon this Scheme becoming effective on the Effective Date, the following shall be deemed to have occurred on the Appointed Date and shall become effective and operative in the sequence and in the order mentioned hereunder:

- (i) Amalgamation of Amalgamating Company into and with the Amalgamated Company in accordance with Part B of this Scheme;

20 APPLICATIONS TO THE COURT

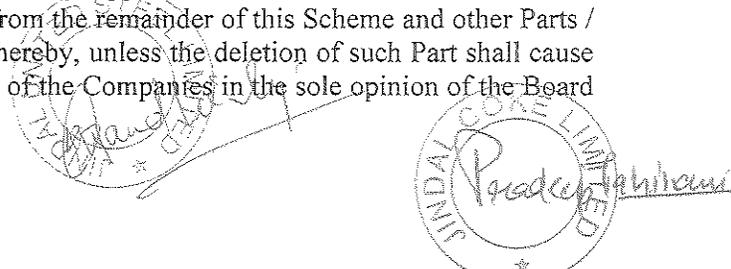
20.1 The Companies shall, with all reasonable dispatch, make a joint application to the Court, under Sections 230 to 232 and other applicable provisions of the Act, seeking orders for dispensing with or convening of the meetings of the different classes of their respective shareholders and/or creditors and for sanctioning this Scheme with such modifications, as may be approved/required by the Court or any other Governmental Authority.

20.2 Upon this Scheme being approved by the requisite majority of the shareholders and creditors of the Companies (wherever required), the Companies shall, file a joint petition before the Court for sanction of this Scheme under Sections 230 to 232 and other applicable provisions of the Act, and for such other order or orders, as the Court may deem fit for bringing this Scheme into effect. Upon this Scheme becoming effective, the shareholders and the creditors of the Companies shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the specific provisions contained in this Scheme and shall be binding upon shareholders and creditors of respective companies.

21 MODIFICATIONS/AMENDMENTS TO THE SCHEME

21.1 The Companies, acting through their respective Boards of Directors, may assent to any modifications or amendments to this Scheme, which the Court and/or any other Governmental Authorities may deem fit to direct or impose, or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise in implementing and/or carrying out this Scheme provided however that no modification to the Scheme will be made which adversely affects the rights or interest of the secured creditors without seeking their approval. The Companies, acting through their respective Boards of Directors, be and are hereby authorised to take all such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any orders of the Court or of any directive or any other Governmental Authorities or otherwise howsoever, arising, out of, under, or by virtue of this Scheme and/or any matters related to or connected therewith, provided however that no modification to the Scheme will be made which adversely affects the rights or interest of the secured creditors without seeking their approval.

21.2 If, at any time, before or after the Effective Date, any provisions or Parts of this Scheme are found to be, or interpreted to be, invalid or illegal or inconsistent with any Applicable Laws, or rejected, or unreasonably delayed, or not sanctioned by the Court, or is or becomes unenforceable, under present or future Applicable Laws, or due to any change in any Applicable Laws, then it is the intention of the Companies that such part shall be severable from the remainder of this Scheme and other Parts / provisions of this Scheme shall not be affected thereby, unless the deletion of such Part shall cause this Scheme to become materially adverse to any of the Companies in the sole opinion of the Board



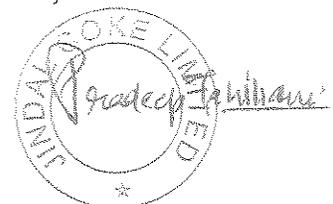
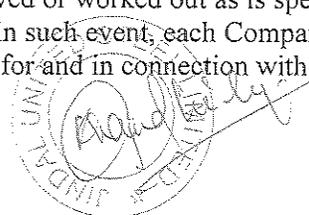
Handwritten signatures and a circular stamp of JINDAL COKE LIMITED are present at the bottom right of the page. The stamp contains the text 'JINDAL COKE LIMITED' and a signature that appears to be 'Pradeep Khilawani'.

of Directors of the relevant Companies. In such a case, the Companies, acting through their respective Boards of Directors, may at their discretion, either bring about such modification in this Scheme, as is likely to best preserve for the relevant Companies, the benefits and obligations of this Scheme and/or withdraw the Scheme or any Part thereof, wholly or partially.

- 21.3 The Companies, acting through their respective Boards of Directors, shall each be at liberty to withdraw this Scheme, wholly or partially, in case any condition or alteration imposed by the Court, or any other Governmental Authority is unacceptable to any of them or otherwise if so decided by their respective Board of Directors. In the event any Parts or provisions of this Scheme are withdrawn and the Companies decide to implement the remaining Parts or provisions of this Scheme, to the extent of such withdrawn provisions, this Scheme shall become null and void and no rights or liabilities whatsoever shall accrue to, or be incurred by, the relevant Companies, their respective shareholders and/or creditors and/or any other persons with respect to such provisions or Parts of the Scheme.
- 21.4 Upon coming into effect of the Scheme, the Amalgamated Company and/or the Amalgamating Company shall, with reasonable dispatch / timelines apply for transition of all licenses and statutory registrations of the Amalgamating Company including but not limited to product registrations (including applications and authorizations for product registrations), manufacturing licenses, insurance policies, product permissions, certificates, market authorizations, filings, industrial licences, municipal permissions, approvals, consent, permits, quotas, incentives, subsidies and recognitions. The period between the Effective Date and the last date on which the transfer of all such aforementioned licenses and statutory registrations have occurred is hereinafter referred to as "Transitory Period". During the Transition Period the Amalgamating Company, may procure or use or manufacture or sale, all materials and products under the respective country registrations including the packing material, art work, label goods, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, closures, publicity materials in the name and form/format of the Amalgamated Company under any license and/or statutory registration, if any, while conducting the business with a view to avoid any disruption of business, to ensure continuity of operations and uninterrupted supply of the products.
- 21.5 Even after the Scheme becomes operative, the Amalgamated Company shall be entitled to operate all Bank Accounts and use all bank guarantees and letter of credit of the Amalgamating Company, and release all monies and complete and enforce all subsisting contracts and transactions in respect of the Amalgamating Company in the name of Amalgamating Company in so far as may be necessary, till the transfer of rights and obligations of the Amalgamating Company to the Amalgamated Company until this Scheme is formally accepted by all the parties concerned.

22 EFFECT OF NON-RECEIPT OF APPROVALS/SEVERABILITY

- 22.1 In the event that the scheme is not sanctioned by the NCLT or in the event any of the other requisite consents, approvals, permissions, sanctions or conditions are not obtained or complied with or for any other reason, the scheme cannot be implemented, the scheme shall not take effect and shall be withdrawn and in that event no rights or liabilities, whatsoever, shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person.
- 22.2 In the event any of the sanctions, consents or approvals referred to in Clause 18 above are not obtained or received and/or the Scheme, or any Part thereof, has not been sanctioned by the Court, the Board of Directors of each of the Companies, shall, by mutual agreement, determine whether:
- (a) this Scheme shall stand revoked and cancelled in entirety and shall be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or under Applicable Law and in such event, each Company shall bear and pay its respective costs, charges and expenses for and in connection with the Scheme; or



- (b) such Part shall be severable from the remainder of the Scheme and the remainder of the Scheme shall not be affected thereby, unless the deletion of such Part shall cause the Scheme to become materially adverse to any Company, in which case each of the Companies, (acting through their respective Boards of Directors) shall attempt to bring about a modification in the Scheme, as will best preserve for the Companies, the benefits and obligations of this Scheme, including but not limited to such Part. Provided, however, that no modification to the Scheme shall be made which adversely affects the rights or interests of the secured creditors, without seeking their approvals.

23 COMPLIANCE WITH LAWS

- 23.1 This Scheme is presented and drawn up to comply with the provisions/requirements of Sections 230 to 232 and other applicable provisions of the Act, for the purpose of amalgamation of the Amalgamating Company into and with the Amalgamated Company;
- 23.2 This Scheme has been drawn up to comply with the conditions relating to (a) "amalgamation" with respect to Part B of the Scheme as defined under Section 2(1B) of the IT Act, respectively.
- 23.3 The Companies undertake to comply with all Applicable Laws, including making the requisite intimations and disclosures to any statutory or regulatory authority and obtaining the requisite consent, approval or permission of the Central Government, RBI (if required) or any other statutory or regulatory authority, which by Applicable Law may be required for the implementation of this Scheme.

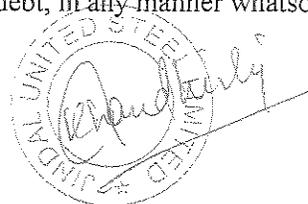
24 CANCELLATION OF INTER-SE TRANSACTIONS

- 24.1 Upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, all loans, advances, trade receivables and other obligations or liabilities due, from or by or any guarantees given on behalf of the Amalgamating Company to / by the Amalgamated Company or vice versa, if any, and all contracts, arrangements and transactions, of any nature whatsoever, between any of the Amalgamating Company and the Amalgamated Company (other than this Scheme) shall stand automatically cancelled and terminated and shall be of no effect, without any further act, instrument or deed being required from any of the Companies and without any approval or acknowledgement of any third party. No further taxes, fees, duties or charges shall be required to be paid by the Amalgamated Company on account of such cancellation or termination.

25 CAPITAL AND DIVIDENDS

- 25.1 Nothing in this Scheme shall be interpreted to restrict the ability of any of the Companies to declare and/or pay dividends, whether interim and/or final or issue bonus shares, to their respective shareholders prior to the Effective Date.
- 25.2 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Companies to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Companies, and if applicable as per the provisions of the Act, shall also be subject to the approval of the shareholders of the relevant Company or Companies.
- 25.3 Nothing in this Scheme shall be interpreted to restrict the ability of any of the Companies to raise capital or funds whether by way of equity or debt, in any manner whatsoever, at any time prior to the Effective Date.

COSTS



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

