

**SCHEME OF ARRANGEMENT
OF
TATA MOTORS LIMITED
AND
ITS SHAREHOLDERS AND CREDITORS
UNDER SECTION 230 TO SECTION 232 AND OTHER APPLICABLE PROVISIONS OF
THE COMPANIES ACT, 2013**

PART A – GENERAL

PREAMBLE

This scheme of arrangement ('Scheme', *as more particularly defined hereunder*) is presented under Section 230 – Section 232 and other applicable provisions of the Act (*as defined below*) between Tata Motors Limited ('Company', *as more particularly defined hereunder*) and its shareholders and creditors. The Scheme provides *inter alia* for the (a) reduction through cancellation of the 'A' Ordinary Shares (*as defined below*) and the consequent issuance and allotment of the Ordinary Shares (*the Ordinary Shares issued by the Company as the consideration pursuant to this Scheme is hereinafter referred to as 'New Ordinary Shares' and such term is more particularly defined in Clause 6.5*), as consideration other than cash for such reduction; (b) amendments to the memorandum of association of the Company ("MoA"), articles of association of the Company ("AoA") and authorised share capital of the Company; and (c) various other matters incidental to, consequential to and/ or otherwise connected with the above, under Section 230 – Section 232 and other applicable provisions of the Act, the SEBI Scheme Circular (*as defined below*) and the SEBI Scheme Circular – Debt (*as defined below*).

I. INTRODUCTION

TATA MOTORS LIMITED is a public limited company incorporated under the laws of India bearing corporate identification number L28920MH1945PLC004520 and having its registered office at Bombay House, 24, Homi Mody Street, Mumbai - 400001 ("**Company**"). Its 'A' Ordinary Shares, Ordinary Shares (*as defined below*) and NCDs (*as defined below*) are listed on the NSE (*as defined below*) and BSE Limited (*as defined below*). The Company, directly and indirectly through its subsidiaries and joint ventures, is engaged *inter alia* in the business of design, development, manufacturing and sale of a wide range of commercial, passenger and electric vehicles and parts thereof within India and abroad.

II. RATIONALE AND PURPOSE OF THE SCHEME

1. The Company issued the 'A' Ordinary Shares in 2008 as part of a rights issue with the objective of *inter alia* funding certain overseas investments. The 'A' Ordinary Shares were issued at a discount to the Ordinary Shares.
2. The rights attached to the 'A' Ordinary Shares are similar to the rights attached to the Ordinary Shares in all respects except as to voting and dividend, as detailed in Clause 1.1(e).

3. This was the first issuance of 'A' Ordinary Shares by the Company and as on the date of issuance of the 'A' Ordinary Shares, there were limited instances of issuances of equity shares with differential rights as to voting and dividend by Indian listed companies of the Company's market capitalization and size.
4. Subsequent regulatory changes restricted the issuance of shares with differential voting rights, resulting in a narrow market for similar instruments. The discount in the price at which the 'A' Ordinary Shares trade *vis-à-vis* the Ordinary Shares has increased since the date of listing of the 'A' Ordinary Shares. This has the effect of significantly understating the Company's market capitalization, contributes to a complex capital structure and increases administrative complexity *vis-à-vis* maintaining 2 (two) separate classes of shares.
5. In light of this background, the Company seeks to reorganise its share capital in accordance with Section 230 – Section 232 of the Act by cancelling and extinguishing 'A' Ordinary Shares and paying consideration to the holders of the 'A' Ordinary Shares in the form of New Ordinary Shares. The reorganization of share capital envisaged by this Scheme is expected to:
 - (a) simplify and consolidate the Company's capital structure and preserve liquidity for the Company's growth; and
 - (b) be value accretive and beneficial for all shareholders of the Company and allow the holders of the 'A' Ordinary Shares and Ordinary Shares to continue to participate in the Company's performance.
6. The networth of the Company as on June 30, 2023, is INR 21,167 Cr. The reduction of the 'A' Ordinary Shares contemplated by this Scheme will not affect the ability or liquidity of the Company to meet any of its financial obligations/ commitments. The Scheme will not have any adverse impact on the creditors as further elaborated in Clause 11.
7. The Scheme will be in the best interest of the concerned stakeholders of the Company, including the holders of Ordinary Shares and the holders of 'A' Ordinary Shares.

III. PARTS OF THE SCHEME

This Scheme is divided into the following parts:

- (a) **PART A** deals with the background of the Company, rationale and objective of the Scheme;
- (b) **PART B** deals with the definitions, interpretation and share capital;
- (c) **PART C** deals with the capital reorganisation of the Company; and
- (d) **PART D** deals with the general terms and conditions applicable to the Scheme.

PART B – DEFINITIONS, INTERPRETATION AND SHARE CAPITAL

1. DEFINITIONS

- 1.1 In this Scheme, unless the context or meaning otherwise requires: (a) terms defined in the introductory paragraphs and recitals shall have the same meanings throughout this Scheme; and (b) the following words and expressions, wherever used (including in the recitals and the introductory paragraphs above), shall have the following meanings:

- (a) “**3(a)(10) Exemption**” shall have the meaning set out in Clause 6.13;
- (b) “**Accounting Standards**” means the Indian Accounting Standards as notified under the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other accounting principles generally accepted in India or made applicable to the Company;
- (c) “**Act**” means the Companies Act, 2013 and any rules, regulations, circulars, notifications, clarifications, orders or guidelines issued thereunder and as amended from time to time and include any statutory replacement or re-enactment thereof, if the context so requires and as may be applicable;
- (d) “**Adjustment Amount**” shall have the meaning set out in Clause 6.5;
- (e) “**A’ Ordinary Shares**” means the equity shares of the Company with differential rights as to voting and dividend as set out below and having a face value of INR 2 (Indian Rupees Two only) each and bearing ISIN IN9155A01020:
 - (i) *Dividend*: The holders of ‘A’ Ordinary Shares receive dividend for a financial year at 5 (five) percentage points more than the aggregate rate of dividend declared on Ordinary Shares for that financial year; and
 - (ii) *Voting*: The holders of ‘A’ Ordinary Shares have the right to attend general meetings and class meetings of all holders of Ordinary Shares, and their voting rights at such meetings are as follows:
 - (A) if a resolution is put to vote by a show of hands, each holder of ‘A’ Ordinary Shares is entitled to 1 (one) vote, i.e., the same number of votes as available to holders of Ordinary Shares; and
 - (B) if a resolution is put to vote by poll or postal ballot, each holder of ‘A’ Ordinary Shares is entitled to 1 (one) vote for every 10 (ten) ‘A’ Ordinary Shares held. Fractional voting rights of holders of ‘A’ Ordinary Shares shall be ignored;
- (f) “**AoA**” shall have the meaning set out in the Preamble;
- (g) “**Applicable Law**” or “**Law**” means with respect to any Person, any binding federal, state, national or local statute, law, ordinance, notification, rule, regulation, order, writ, injunction, directive, judgment or decree, or other requirement of any governmental authority applicable to such Person or any of their respective properties or assets;
- (h) “**Appointed Date**” means the Effective Date;
- (i) “**Board of Directors**” or “**Board**” in relation to the Company means the board of directors of the Company, and shall include a committee (existing or to be constituted subsequently by the Board) or any other delegate(s) duly authorised for the purposes of the matters pertaining to this Scheme and / or to take decisions prescribed under the Scheme and / or to decide or act on any other matter relating thereto;
- (j) “**BSE**” means BSE Limited;

- (k) “**Capital Reduction Consideration**” shall have the meaning set out in Clause 6.4;
- (l) “**Company**” shall have the meaning set out in paragraph I of Part A of the Scheme;
- (m) “**Convertible Cumulative Preference Shares**” shall have the meaning determined in accordance with the AoA and the MoA;
- (n) “**Effective Date**” means the date on which the certified copy of the order of the NCLT sanctioning the Scheme is filed by the Company with the Registrar of Companies;

References in this Scheme to the date of ‘coming into effect of this Scheme’ or the ‘effectiveness of this Scheme’ or the ‘Scheme coming into effect’ shall mean the Effective Date;

- (o) “**Employee Stock Option Scheme**” means the: (i) Tata Motors Limited Employees Stock Options Scheme 2018; and/ or (ii) Tata Motors Limited Share-based Long Term Incentive Scheme 2021 and/ or (iii) any other employee stock option schemes to be introduced by the Company;
- (p) “**INR**” or “**Rs.**” means Indian Rupees, the lawful currency of the Republic of India;
- (q) “**MoA**” shall have the meaning set out in the Preamble;
- (r) “**NCD**” means the outstanding non-convertible debentures of the Company listed on the Stock Exchanges from time to time, and includes the non-convertible debentures of the Company as listed in **Annexure A**;
- (s) “**NCLT**” means the National Company Law Tribunal, Mumbai Bench, as constituted and authorised as per the applicable provisions of the Act for approving any scheme of arrangement, compromise or reconstruction of companies under Section 230 – Section 232 of the Act;
- (t) “**New Ordinary Shares**” shall have the meaning set out in Clause 6.5;
- (u) “**NSE**” means National Stock Exchange of India Limited;
- (v) “**Ordinary Shares**” means the equity shares of the Company having a face value of INR 2 (Indian Rupees Two only) each and bearing ISIN INE155A01022;
- (w) “**Person**” means any individual (including in his capacity as trustee), entity, joint venture, company, corporation, partnership (whether limited or unlimited), proprietorship or other enterprise (whether incorporated or not), Hindu undivided family, trust, union, association of persons, governmental authority, or any agency, department, authority or political subdivision thereof, and shall include their respective successors and in case of an individual shall include his/her legal representatives, administrators, executors and heirs and in case of a trust shall include the trustee or the trustees and the beneficiary or beneficiaries from time to time;
- (x) “**Preamble**” shall mean the preamble of this Scheme;
- (y) “**Record Date**” means the date to be fixed by the Board of Directors for the purpose of determining the names of the holders of ‘A’ Ordinary Shares who shall be entitled to receive consideration under Clause 6;

- (z) **“Registrar of Companies”** means the Registrar of Companies having jurisdiction over the Company;
- (aa) **“Relevant Shareholders”** shall have the meaning set out in Clause 6.3;
- (bb) **“Scheme”** or **“the Scheme”** or **“this Scheme”** or **“Scheme of Arrangement”** means this scheme of arrangement in its present form or as amended or with any modification(s) approved or imposed or directed by the NCLT or any other governmental authorities, pursuant to the provisions of Section 230 – Section 232 and other applicable provisions, if any, of the Act;
- (cc) **“SEBI”** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- (dd) **“SEBI LODR Regulations”** means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including all circulars and notifications issued thereunder, as amended from time to time;
- (ee) **“SEBI Regulations”** means any acts, rules, regulations, circulars, notifications, clarifications, orders or guidelines issued by SEBI and as amended from time to time and include any statutory replacement or re-enactment thereof, if the context so requires and as may be applicable;
- (ff) **“SEBI Scheme Circular”** means the SEBI master circular bearing no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 ‘*Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957*’ dated June 20, 2023, as amended from time to time or any other circulars issued by SEBI applicable to schemes of arrangement from time to time;
- (gg) **“SEBI Scheme Circular - Debt”** means circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/108 dated July 29, 2022 issued by SEBI, as amended from time to time;
- (hh) **“Securities Act”** shall have the meaning set out in Clause 6.13;
- (ii) **“Stock Exchanges”** means collectively the BSE and the NSE;
- (jj) **“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;
- (kk) **“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, dividend, net wealth, asset values, turnover, added value, goods and services 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, advance tax, goods and services tax, securities transaction tax or any other transfer taxes or otherwise, in each case attributable directly or primarily to the Company or any other Person and all surcharge, cess penalties, charges, costs and interest relating thereto; and
- (ll) **“Trust”** means the irrevocable determinate trust constituted under the Indian Trusts Act, 1882 by the Company, having an independent trustee, for the purposes of receiving the New Ordinary Shares from the Company on behalf and for the

benefit of each of the Relevant Shareholders, selling the requisite number of New Ordinary Shares to discharge obligations in relation to Taxes, distributing the remaining New Ordinary Shares to the Relevant Shareholders, and undertaking all other related matters as detailed in this Scheme, including in Clause 6.

2. INTERPRETATION

- 2.1** References to clauses, unless otherwise provided, are to the clauses to this Scheme.
- 2.2** Headings, sub-headings, titles, subtitles to clauses, sub-clauses, sections and paragraphs are for information only and shall not form part of the operative provisions of this Scheme or the schedules hereto and shall be ignored in construing the same.
- 2.3** All references in this Scheme to statutory provisions shall be construed as meaning and including references to:
- (a) any statutory modification, consolidation or re-enactment made after the date of approval of this Scheme by the Board and for the time being in force;
 - (b) all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated);
 - (c) all statutory instruments or orders made pursuant to a statutory provision; and
 - (d) any statutory provisions of which these statutory provisions are a consolidation, re-enactment or modification.
- 2.4** Unless the context otherwise requires:
- (a) the singular shall include the plural and vice versa, and references to one gender include all genders;
 - (b) references to a person include any individual, firm, body corporate (whether incorporated or not), government, state or agency of a state or any joint venture, association, partnership, works council or employee representative's body (whether or not having separate legal personality);
 - (c) reference to days, months and years are to calendar days, calendar months and calendar years, respectively;
 - (d) any reference to "writing" shall include printing, typing, lithography and other means of reproducing words in visible form;
 - (e) the words "include" and "including" are to be construed without limitation and
 - (f) where a wider construction is possible, the words "other" and "otherwise" shall not be construed ejusdem generis with any foregoing words.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by NCLT shall be operative and effective from the Effective Date.

4. SHARE CAPITAL

The authorised, issued, subscribed and paid-up share capital of the Company as on June 30,

2023 is as under:

Particulars	Amount in INR
Authorised Share Capital	
4,00,00,00,000 (Four Hundred Crore) Ordinary Shares of INR 2 (Indian Rupees Two only) each	8,00,00,00,000
1,00,00,00,000 (One Hundred Crore) 'A' Ordinary Shares of INR 2 (Indian Rupees Two only) each	2,00,00,00,000
30,00,00,000 (Thirty Crore) Convertible Cumulative Preference Shares of INR 100 (Indian Rupees One Hundred only) each	30,00,00,00,000
Total	40,00,00,00,000
Issued Share Capital	
3,32,19,83,141 (Three Hundred Thirty Two Crore Nineteen Lakh Eighty Three Thousand One Hundred and Forty One) Ordinary Shares of INR 2 (Indian Rupees Two only) each	6,64,39,66,282
50,87,36,110 (Fifty Crore Eighty Seven Lakh Thirty Six Thousand One Hundred and Ten) 'A' Ordinary Shares of INR 2 (Indian Rupees Two only) each	1,01,74,72,220
Total	7,66,14,38,502
Subscribed Share Capital	
3,32,14,90,582 (Three Hundred Thirty Two Crore Fourteen Lakh Ninety Thousand Five Hundred and Eighty Two) Ordinary Shares of INR 2 (Indian Rupees Two only) each	6,64,29,81,164
50,85,02,896 (Fifty Crore Eighty Five Lakh Two Thousand Eight Hundred and Ninety Six) 'A' Ordinary Shares of INR 2 (Indian Rupees Two only) each	1,01,70,05,792
Total	7,65,99,86,956
Paid-up Share Capital	
3,32,14,90,582 (Three Hundred Thirty Two Crore Fourteen Lakh Ninety Thousand Five Hundred and Eighty Two) Ordinary Shares of INR 2 (Indian Rupees Two only) each	6,64,34,58,669*
50,85,02,896 (Fifty Crore Eighty Five Lakh Two Thousand Eight Hundred and Ninety Six) 'A' Ordinary Shares of INR 2 (Indian Rupees Two only) each	1,01,70,05,792
Total	7,66,04,64,461*

* The paid-up share capital of the Company is subject to the following adjustments viz. (a)

addition of INR 4,77,945 (Indian Rupees Four Lakh Seventy Seven Thousand Nine Hundred and Forty Five only) on account of share forfeiture, being paid-up value of partly-paid Ordinary Shares forfeited in the financial year 1998-1999 and financial year 1999-2000 for the non-receipt of call monies and remaining unissued as on June 30, 2023 (b) less INR 440 (Indian Rupees Four Hundred and Forty only) on account of calls in arrear towards 310 (Three Hundred and Ten) Ordinary Shares of INR 2 (Indian Rupees Two only) each (INR 1 (Indian Rupees One only) outstanding on each) and 260 (Two Hundred and Sixty) Ordinary Shares of INR 2 (Indian Rupees Two only) each (INR 0.50 (Indian Rupees Fifty paise only) outstanding on each). To clarify, without such adjustments, the paid-up share capital of the Company as on June 30, 2023 aggregates to INR 7,65,99,86,956 (Indian Rupees Seven Hundred and Sixty Five Crore Ninety Nine Lakh Eighty Six Thousand Nine Hundred and Fifty Six only).

Note: *The Company has outstanding employee stock options and performance share units under its Employee Stock Option Scheme, the exercise of which may result in an increase in its number of Ordinary Shares and its issued and paid-up capital from time to time. The total number of Ordinary Shares that can be issued under: (a) Tata Motors Limited Employees Stock Option Scheme 2018; and (b) Tata Motors Limited Share-based Long Term Incentive Scheme 2021 shall not exceed 0.406% (point four zero six percent) and 0.235% (point two three five percent), respectively, of the issued share capital of the Company.*

PART C – CAPITAL REORGANISATION OF THE COMPANY

5. REDUCTION OF THE ‘A’ ORDINARY SHARES

- 5.1** Upon the Scheme becoming effective, the share capital of the Company pertaining to the ‘A’ Ordinary Shares (including the subscribed, issued and paid up share capital pertaining to the ‘A’ Ordinary Shares) as on the Effective Date will be reduced on the Effective Date, i.e., by cancelling and extinguishing all ‘A’ Ordinary Shares held by the relevant holders of the ‘A’ Ordinary Shares as on the Record Date, for the consideration mentioned in Clause 6.
- 5.2** The reduction of the share capital of the Company to the extent of the ‘A’ Ordinary Shares as aforesaid will not involve any diminution of liability in respect of the unpaid share capital.
- 5.3** The reduction of the ‘A’ Ordinary Shares shall be effected pursuant to and as an integral part of this Scheme per the provisions of Section 230 – Section 232 of the Act pursuant to the order of the NCLT, and the provisions of Section 66 of the Act shall not apply to such reduction. The order of the NCLT sanctioning the Scheme shall be deemed to be an order under the applicable provisions of the Act confirming the reduction of the ‘A’ Ordinary Shares.
- 5.4** The approvals obtained by the Company in relation to this Scheme (including approvals from the shareholders of the Company pursuant to Section 230 – Section 232 of the Act) shall be deemed to be sufficient approval(s) for giving effect to the provisions of Clause 5 and Clause 6 of this Scheme and for the avoidance of doubt, the Company shall not be required to obtain any separate approvals under Section 52, Section 66 and the other related provisions of the Act to effect the reduction by way of cancellation and extinguishment of ‘A’ Ordinary Shares. The Company shall not, nor shall be obliged to: (a) in addition to the approvals obtained by the Company in relation to this Scheme, call for a separate meeting of its shareholders and creditors for obtaining their approval for sanctioning the reduction of the ‘A’ Ordinary Shares or any other steps contemplated under this Scheme; or (b) obtain any additional approvals / compliances, under Section 66 of the Act.

- 5.5 The Scheme will not have any adverse impact on the creditors as further elaborated in Clause 11. There will be no change in the general reserves of the Company as a result of the reduction of 'A' Ordinary Shares pursuant to this Clause 5 of the Scheme. The Company shall not be required to add the words "And Reduced" as a suffix to its name consequent upon such reduction.
- 5.6 Upon the Scheme becoming effective, and without the requirement for any further application, act, deed, consent or other actions from the holders of 'A' Ordinary Shares (including surrendering of share certificates and/ or sending appropriate instructions to the depository participants), the 'A' Ordinary Shares shall stand cancelled, extinguished and rendered invalid in accordance with this Scheme.

6. CONSIDERATION

- 6.1 The consideration for reduction of the 'A' Ordinary Shares pursuant to Clause 5, is payable by way of consideration other than cash. Upon effectiveness of the Scheme and in accordance with the terms hereof, including Clause 5, the Company shall issue New Ordinary Shares to the holders of the 'A' Ordinary Shares as consideration for the reduction and cancellation of the 'A' Ordinary Shares. The issuance of consideration in the form of New Ordinary Shares rather than cash will have various benefits, including: (a) preserving liquidity for the Company's growth; (b) allowing the holders of the 'A' Ordinary Shares to continue to participate in the Company's performance; and (c) the benefits set out in paragraph II.5 of Part A of the Scheme.
- 6.2 For the purposes of, *inter alia*, transfer of the Capital Reduction Consideration (*as defined below*) by the Company to the Relevant Shareholders (*as defined below*), the Company shall, prior to the Effective Date have settled the Trust. The Trust will receive the New Ordinary Shares from the Company on behalf and for the benefit of each of the Relevant Shareholders as contemplated in Clause 6.4, and will thereafter, post-sale of the requisite number of New Ordinary Shares to discharge obligations in relation to Total Adjustment Amounts (*as defined below*) and completion of the other actions more specifically enumerated in this Clause 6, *inter alia*, distribute the remaining New Ordinary Shares to the Relevant Shareholders in terms of this Scheme.
- 6.3 In this regard, following the effectiveness of the Scheme, the Company shall, issue New Ordinary Shares on behalf and for the benefit of each holder of the 'A' Ordinary Shares whose shares have been cancelled in accordance with Clause 5 and whose names appear in the register of members (including register and index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996) of the Company on the Record Date or to such of their respective heirs, executors, administrators or other legal representative or other successors in title as on the Record Date ("**Relevant Shareholders**"), without any further application, act or deed, save for: (a) any documents required from the holders of 'A' Ordinary Shares pursuant to this Scheme; and (b) the actions required from the Trust pursuant to this Scheme.
- 6.4 The consideration specified under this Clause 6, for every 10 cancelled and extinguished fully paid-up 'A' Ordinary Shares of face value of INR 2 (Indian Rupees Two only) each shall be:
"7 fully paid-up Ordinary Share(s) of face value of INR 2 (Indian Rupees Two only) each." ("**Capital Reduction Consideration**")

Immediately post issuance and allotment, the Company shall take necessary steps for obtaining the listing and trading approvals for the issued shares in accordance with this Scheme.

6.5 The Ordinary Shares issued by the Company as the consideration pursuant to this Scheme are referred to as the “**New Ordinary Shares**”. The New Ordinary Shares shall be issued/transferred to the Relevant Shareholders pursuant to Clause 6 in the manner set out below:

- (a) Upon effectiveness of this Scheme, the Company shall issue and allot the New Ordinary Shares to the Trust, which shall hold the New Ordinary Shares on behalf and for the benefit of each Relevant Shareholder.
- (b) The Company shall notify the Trust of:
 - (i) the details of the demat account, bank account and other details of each Relevant Shareholder, as available in the records of the Company;
 - (ii) the number of New Ordinary Shares issued in respect of each Relevant Shareholder; and
 - (iii) the amount to be withheld from the consideration attributable to each Relevant Shareholder under Applicable Law (including Tax Laws) (“**Adjustment Amount**”).
- (c) the Trust shall, upon allotment of the New Ordinary Shares, sell such number of New Ordinary Shares on the Stock Exchanges, as may be required to: (i) realise the aggregate Adjustment Amount notified by the Company pursuant to Clause 6.5(b); and (ii) discharge costs attributable to capital gains tax, securities transaction tax, transaction cost(s), brokerage charges, and any other expenses akin to the foregoing payable solely with respect to the sale of New Ordinary Shares pursuant to this Clause (collectively with sub-clause (i) of this Clause 6.5(c), the “**Total Adjustment Amount**”). For the avoidance of doubt, costs attributable to the fees payable to advisors (including legal, tax, merchant banker and accounting), the fees payable to the trustee of the Trust and any other expenses akin to the foregoing costs, pursuant to this Clause 6 shall be borne by the Company, *inter alia*, through the Trust’s corpus and/ or through the Trust invoicing the Company. The Trust shall determine the number of New Ordinary Shares to be sold, the timing of the sale and the Stock Exchange on which such sale should be undertaken based on the advice of a merchant banker appointed by the Trust in this regard, provided however that such sale shall be concluded before the end of the calendar month as in which the Record Date falls, unless otherwise decided by the Board in accordance with the Applicable Law;
- (d) promptly following completion of such sale, the Trust shall:
 - (i) immediately thereafter, remit the aggregate Adjustment Amount to the Company;
 - (ii) within 7 (seven) days from the date of such sale, transfer the New Ordinary Shares to the demat account of each Relevant Shareholder based on the Capital Reduction Consideration, less any New Ordinary Shares sold by the Trust to realise the Total Adjustment Amount in respect of such Relevant Shareholder;
 - (iii) within 7 (seven) days from the date of such sale, remit excess cash (if any) realized by the Trust in respect of the New Ordinary Shares sold by it. Such amounts shall be distributed *pro rata* to the New Ordinary Shares sold in respect of the Relevant Shareholders; and

- (iv) undertake such additional action as may be required under Applicable Law, including any filings in relation to the Foreign Exchange Management (Mode of Payment and Reporting of Non-debt Instruments) Regulations, 2019.
- (e) the Company shall deposit the aggregate Adjustment Amount with the relevant governmental authority in the manner prescribed under Applicable Law (including Tax Laws) and shall provide each Relevant Shareholder such documents as are required to be provided by the Company under Applicable Law to evidence such payment.
- (f) The Company may, through its investor outreach/ communication made separately to the Relevant Shareholders, seek such information or documents from holders of 'A' Ordinary Shares as may be required to effect the transactions contemplated in this Clause 6, including to determine the Adjustment Amount and to enable credit of the New Ordinary Shares and the determined amount of cash to the demat account and bank account of the Relevant Shareholders. If such information or documents requested is not provided by such Relevant Shareholder to the Company's satisfaction, and within the timelines prescribed by the Company, the Company shall be entitled to deduct or withhold amounts from the consideration payable to such Relevant Shareholder under Clause 6 at the highest rate specified under Applicable Law, prior to issuing the New Ordinary Shares to such holders of the 'A' Ordinary Shares.
- (g) if the Company does not receive details of the demat accounts or bank accounts of any Relevant Shareholder, or if the details furnished by any Relevant Shareholder do not permit electronic credit of the New Ordinary Shares or the cash payments, then the New Ordinary Shares relating to such Relevant Shareholder shall be held by the Trust until the New Ordinary Shares and cash amounts are transferred to the escrow accounts as contemplated under Clause 6.5(h) below and will only be credited to the respective depository participant account/ bank account of the Relevant Shareholder when the details of such Relevant Shareholder's accounts with the depository participant and/ or bank are intimated in writing to the Company.
- (h) if any New Ordinary Shares, including cash payments pursuant to Clause 6 have not been claimed by or paid to a Relevant Shareholder as on March 15 of the relevant financial year on which the Record Date falls, such amounts and New Ordinary Shares shall be transferred by the Trust to non-interest bearing escrow account and a demat escrow account respectively, in each case opened and maintained by the Company in this regard, and will be remitted to such Relevant Shareholders when the details of such Relevant Shareholder's bank account/ demat account are intimated in writing to the Company. Any unclaimed New Ordinary Shares, along with the dividend accrued on such unclaimed New Ordinary Shares (if any) shall be treated as 'unclaimed shares' and 'unclaimed dividend' for the purposes of the Act, including for the purposes of Section 124 and Section 125 of the Act, and shall be treated in the manner prescribed under the Act for 'unclaimed shares' and 'unclaimed dividend'.
- (i) the Trust shall complete all actions required by it within the periods set out in Clause 6, which period may be extended by the Board if it so deems fit, provided that no extension by the Board shall result in the time period extending beyond 90 (ninety) days from the date of allotment of such New Ordinary Shares by the Company.

- (j) the Trust shall stand dissolved upon completion of its obligations under Clause 6, and the Trust and/ or the Board shall be entitled to undertake any and all actions as may be required to give effect to such dissolution in accordance with the terms of the trust deed. Any amounts pending with the Trust subsequent to fulfillment of its purpose and completion of its obligations under Clause 6 shall be dealt with in the manner set out in the trust deed.
- 6.6** The New Ordinary Shares shall be subject to the Scheme, the MoA and AoA of the Company and Applicable Laws, and shall rank *pari passu* with the Ordinary Shares of the Company, including with respect to dividend.
- 6.7** No New Ordinary Shares shall be allotted in respect of fractional entitlements by the Company to which the Relevant Shareholders may be entitled on allotment as per Clause 6. If any Relevant Shareholder is entitled to fractional entitlements on account of the Capital Reduction Consideration applicable to him/ her/ it, subject to receipt of appropriate approvals, if any, the Company shall consolidate such fractional entitlements and thereupon allot the New Ordinary Shares in lieu thereof to the Trust who shall hold the New Ordinary Shares in trust on behalf and for the benefit of each of the Relevant Shareholders entitled to fractional entitlements with the express understanding that the Trust shall sell the New Ordinary Shares so allotted on the Stock Exchanges at such time or times and at such price or prices and to such Person, as the Trust deems fit (which sale shall be undertaken before the end of the month as in which the Record Date falls unless otherwise decided by the Board in accordance with the Applicable Law, provided that no extension by the Board shall result in the time period extending beyond 90 (ninety) days from the date of allotment of such New Ordinary Shares by the Company), and shall distribute the net sale proceeds in cash, subject to tax deductions and other expenses as applicable in line with Clause 6.5(c), to the Relevant Shareholders in proportion to their respective fractional entitlements (along with such documents as applicable to the Relevant Shareholder as are required to be provided under Applicable Law to evidence such payment). In case the aggregate number of such New Ordinary Shares to be allotted to the Trust (as contemplated above) as part of the applicable Capital Reduction Consideration, by virtue of consolidation of fractional entitlements, is a fraction, it shall be rounded off to the next higher integer.
- 6.8** All the Relevant Shareholders who hold the 'A' Ordinary Shares in physical form shall also receive the New Ordinary Shares to be transferred from the Trust in dematerialized form provided the details of their account with the depository participant are intimated in writing to the Company and/ or its registrar within the timeline prescribed by the Company in its communications to the Relevant Shareholders and the details of the same shall be intimated to the Trust.
- 6.9** The amount payable in cash pursuant to Clause 6 shall be discharged by issue of cheque, draft, pay order/ warrant or demand draft, electronic transfer of funds, NEFT/ RTGS/ IMPS, as may be decided by the Trust, based on the bank details of such holder of 'A' Ordinary Shares as available with the Company or its registrar within the timeline prescribed by the Company in its communications to the Relevant Shareholders, the details of which shall be intimated to the Trust.
- 6.10** In the event of there being any pending share transfers, whether lodged or outstanding, of any Relevant Shareholders, the Board shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of 'A' Ordinary Shares, after the effectiveness of this Scheme. The Board shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders as holders

of 'A' Ordinary Shares, as required, on account of difficulties faced in the transaction period.

- 6.11** To the extent cash is payable to the Relevant Shareholders who are non-residents, the Company and the Trust shall comply with the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder and may seek any information from such Relevant Shareholders as on the Record Date to comply with the said provisions. If the payment of cash to any Relevant Shareholders pursuant to the Scheme is subject to approval of a governmental authority, and such approval has not been obtained after satisfaction of all the conditions to this Scheme, the Trust may complete the payment of such cash only after the relevant approval is obtained.
- 6.12** The New Ordinary Shares to be issued to the Trust and any cash payments held in trust on behalf and for the benefit of the Relevant Shareholders pursuant to Clause 6 in respect of any 'A' Ordinary Shares which are held in abeyance under Applicable Laws (including the provisions of Section 126 of the Act) or which the Company is unable to issue due to non-receipt of relevant approvals or due to Applicable Laws or otherwise ("**Relevant Shares/ Cash**") shall, pending allotment or settlement of dispute by order of NCLT or otherwise, be held in abeyance by the Company, provided however if any such Relevant Shares/ Cash continue to be held in abeyance by the Company as on March 15 of the relevant financial year on which the Record Date falls, such Relevant Shares/ Cash shall be transferred by the Trust to a demat escrow account and non-interest bearing escrow account respectively, in each case opened and maintained by the Company, and will be remitted to such Relevant Shareholders upon receipt of the necessary approvals or upon allotment or settlement of the relevant dispute by order of the NCLT or otherwise, as the case may be, in each case, in accordance with Applicable Law. Any unclaimed Relevant Shares/ Cash, along with the dividend accrued on such unclaimed Relevant Shares/ Cash (if any) shall be treated as 'unclaimed shares' and 'unclaimed dividend' for the purposes of the Act, including for the purposes of Section 124 and Section 125 of the Act, and shall be treated in the manner prescribed under the Act for 'unclaimed shares' and 'unclaimed dividend'.
- 6.13** The New Ordinary Shares issued and distributed pursuant to this Scheme shall not be registered under the United States Securities Act of 1933 as amended ("**Securities Act**"), in reliance upon the exemption from the registration requirements of the Securities Act provided by Section 3(a)(10) of the Securities Act ("**3(a)(10) Exemption**") and shall not constitute a "public offer" or a "public issue" as such term may be defined under the SEBI Regulations. The order of the NCLT sanctioning this Scheme will be relied upon by the Company for the purpose of qualifying the issuance and distribution of New Ordinary Shares pursuant to and as a result of this Scheme and the Section 3(a)(10) Exemption. Approval of this Scheme by the shareholders of the Company shall be deemed to be due compliance of the provisions of Section 42, Section 62 and other relevant and applicable provisions of the Act and rules made thereunder. Nothing contained under this Scheme shall be deemed to constitute an invitation/ offer to acquire and/ or an invitation/ offer to sell securities by the Company or the Trust.
- 6.14** The New Ordinary Shares will be listed and/ or admitted to trading on the Stock Exchanges, and the Company will initiate the necessary steps in this regard immediately upon issuance of the New Ordinary Shares. The Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Laws or regulations with the formalities of the said Stock Exchange. The New Ordinary Shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing and trading permission is given by the designated Stock Exchange.

PART D –GENERAL TERMS AND CONDITIONS

7. ACCOUNTING TREATMENT IN THE BOOKS OF THE COMPANY

The Company shall abide by the Accounting Standards, for giving effect to the Scheme. Upon the Scheme becoming effective, the Company shall:

- (a) account for the reduction of the 'A' Ordinary Share capital in its books of accounts in accordance with the requirement of the Accounting Standards by debiting the 'A' Ordinary Share capital account by the face value of the 'A' Ordinary Shares, debiting the securities premium account for the difference between face value and fair value of the "A" Ordinary shares and crediting share adjustment account;
- (b) account for the issuance and allotment of the New Ordinary Shares in its books of accounts in accordance with the requirement of the Accounting Standards by crediting the Ordinary Share capital account by the face value of the New Ordinary Shares, crediting the securities premium account for the difference between face value and fair value of the New Ordinary shares and debiting share adjustment account; and
- (c) account for the expenses incurred on the reduction of the 'A' ordinary share capital in the retained earnings and the expenses on the listing of the New Ordinary Shares on Stock Exchanges in the statement of profit and loss, in accordance with the requirement of the Accounting Standards.

8. AMENDMENTS TO THE MOA OF THE COMPANY

8.1 Amendments to authorised share capital

- (a) As an integral part of the Scheme, and, upon coming into effect of the Scheme, the authorised share capital of the Company in relation to its 'A' Ordinary Shares as specified in Clause 4, i.e., INR 2,00,00,00,000 (Indian Rupees Two Hundred Crore only) divided into 1,00,00,00,000 (One Hundred Crore) 'A' Ordinary Shares of INR 2 (Indian Rupees Two only) each shall stand reclassified and consolidated along with the existing Ordinary Shares share capital, such that post effectiveness of the Scheme the authorized share capital of the Company is INR 10,00,00,00,000 (Indian Rupees One Thousand Crore only) divided into 5,00,00,00,000 (Five Hundred Crore) Ordinary Shares of INR 2 (Indian Rupees Two only) each;
- (b) Further, as an integral part of the Scheme, and upon coming into effect of the Scheme all provisions and references which relate to 'A' Ordinary Shares under the MoA, shall stand deleted/ modified/ substituted to Ordinary Shares (as may be applicable), without any further act, instrument or deed on the part of the Company;
- (c) In order to give effect to the reclassification of share capital of the Company as specified in Clause 8.1(a), Clause V of the MoA shall be altered as set out below, upon coming into effect of the Scheme and without any further act or deed:

"V. The authorized share capital of the Company is INR 10,00,00,00,000 (Indian Rupees One Thousand Crore only) Ordinary Shares divided into 5,00,00,00,000 (Five Hundred Crore) Ordinary Shares of INR 2 (Indian Rupees Two only) each and 30,00,00,00,000 (Thirty Crore) Convertible Cumulative Preference Shares of INR 100/- (Indian Rupees One Hundred only) each."

- (d) In the event the authorised capital of the Company undergoes any change prior to the date on which this Scheme comes into effect, the clauses specified in this

Scheme to replace the existing Clause V of the MoA shall be modified accordingly to take into account the effect of any such change;

- (e) Pursuant to the Scheme, the Company shall file the requisite forms with the Registrar of Companies for alteration of its authorized share capital; and
- (f) The amendments pursuant to this Clause 8.1 shall become operative on the Scheme becoming effective by virtue of the fact that the shareholders of the Company, while approving the Scheme as a whole, have approved and accorded the relevant consents as required under the Act for reclassification of the share capital of the Company, and amendment of the MoA and shall not be required to pass separate resolutions under the applicable provisions of the Act.

8.2 It is hereby clarified that for the purposes of Clause 8.1:

- (a) the consent of the shareholders of the Company to the Scheme shall be deemed sufficient for the purposes of effecting the above amendment to the MoA and/ or reclassification of share capital of the Company, and no further resolution under Section 13, Section 61, Section 62 and Section 64 of the Act or any other applicable provisions of the Act, would be required to be separately passed;
- (b) pursuant to the effectiveness of the Scheme, the Company shall file the requisite forms with the Registrar of Companies for alteration of its MoA; and
- (c) the filing fees and stamp duty, if any already paid by the Company in relation to its authorised share capital pertaining to the 'A' Ordinary Shares shall be set off and be deemed to have been so paid by the Company on the reclassified authorised share capital of the Company pertaining to the Ordinary Shares. The Company shall not be required to pay any filing fees or stamp duty to the extent set off and accordingly, shall be required to pay only the balance amount on the stamp duty, if any, in relation to the increased authorised share capital after setting off the stamp duty already paid by the Company on the authorised share capital pertaining to the 'A' Ordinary Shares.

8.3 Issue and allotment of securities

- (a) Where any securities are to be allotted to the heirs, executors, administrators, legal representatives or other successors in title, as the case may be, of any security holders, the concerned heirs, executors, administrators, legal representatives or other successors in title shall be obliged to produce evidence of title, satisfactory to the Board of the Company as a condition to such allotment.
- (b) In the event of there being any pending share transfer, whether lodged or outstanding, of any member of the Company, the Board shall be empowered even subsequent to the Effective Date, to effectuate such transfer as if such changes in the registered holder were operative from the Effective Date, in order to remove any difficulties arising to the transferor or the transferee of equity shares (either 'A' Ordinary Shares or Ordinary Shares) in the Company after the Scheme becomes effective. The Board shall be empowered to remove such difficulties as may arise in the course of implementation of the Scheme and registration of new shareholders in the Company, on account of difficulties faced in the transaction period.

9. AMENDMENTS TO THE AOA

9.1 As an integral part of the Scheme, and, upon the Scheme becoming effective, the following provisions of the AoA shall stand deleted without any further act, instrument or deed on the part of the Company:

(a) *“7A Issue of ‘A’ Ordinary Shares*

- (i) The Board may issue Ordinary Shares with differential rights as to voting and/ or dividend (hereinafter referred to as ‘A’ Ordinary Shares) upto an amount not exceeding 25% of the total issued Ordinary Share Capital of the Company or such other limit as may be prescribed by applicable laws/regulations. Such issue of ‘A’ Ordinary Shares shall be in accordance with the Act, other applicable laws, Article 67A and other terms and conditions that may be specified at the time of issue.*
- (ii) The ‘A’ Ordinary Shares so issued by the Company will stand to be in the same class as the Ordinary Shares. The ‘A’ Ordinary Shares issued by the Company will enjoy all rights and privileges that are attached to Ordinary Shares in law and by the provisions of these presents, except as to voting and/ or dividend, as provided in these Articles and as may be permitted under applicable law from time to time.*
- (iii) The Board may issue ‘A’ Ordinary Shares of more than one series carrying differential rights as to voting and/ or dividend, as the case may be.*
- (iv) The Board shall have the power and authority to remove any difficulties, and do such other acts and deeds, in relation to the applicability of this Article to the rights and obligations of the holders of the ‘A’ Ordinary Shares, including, but not limited to the issue and deciding the stock exchanges on which the ‘A’ Ordinary Shares will be listed.*
- (v) The Board shall follow the general principles set out under Article 7A (ii) at all times whilst making any decision in regard to ‘A’ Ordinary Shares.”*

(b) *“67A Provisions in case of ‘A’ Ordinary Shares*

Notwithstanding anything contained in these presents, the rights, powers and preferences relating to ‘A’ Ordinary Shares and the qualifications, limitations and restrictions thereof are as follows:

(a) *Voting*

- (i) The holders of ‘A’ Ordinary Shares shall be entitled to such rights of voting and/ or dividend and such other rights as per the terms of the issue of such shares, provided always that:*
 - in the case where a resolution is put to vote on a poll, such voting entitlement (excluding fractions, if any) will be applicable to holders of ‘A’ Ordinary Shares.*
 - in the case where a resolution is put to vote in the meeting and is to be decided on a show of hands, the holders of ‘A’ Ordinary Shares shall be entitled to the same number of votes as available to holders of Ordinary Shares in accordance with Article 111(1).*

(ii) *The holders of Ordinary Shares and the holders of 'A' Ordinary Shares shall vote as a single class with respect to all matters submitted to a vote of shareholders of the Company and shall exercise such votes in proportion to the voting rights attached to such Shares including in relation to any scheme under Sections 391 to 394 of the Act.*

(b) *Dividend Entitlement*

The holders of 'A' Ordinary Shares shall be entitled to dividend on each 'A' Ordinary Share which may be equal to or higher than the amount per Ordinary Share declared by the Board for each Ordinary Share, and as may be specified at the time of the issue. Different series of 'A' Ordinary Shares may carry different entitlements to dividend to the extent permitted under applicable law and as prescribed under the terms applicable to such issue.

(c) (i) *Where the Company proposes to make a rights issue of Ordinary Shares or any other securities convertible into Ordinary Shares, the Company shall simultaneously make an offer to the holders of 'A' Ordinary Shares in the same proportion of 'A' Ordinary Shares to Ordinary Shares prior to the issue. The holders of 'A' Ordinary Shares shall receive further 'A' Ordinary Shares whereas holders of Ordinary Shares shall receive further Ordinary Shares.*

(ii) *Where the Company proposes to make a bonus issue of Ordinary Shares, the holders of 'A' Ordinary Shares shall, subject to the terms of such issue, receive further 'A' Ordinary Shares whereas the holders of Ordinary Shares shall receive further Ordinary Shares to the end and intent that the proportion of Ordinary Shares to 'A' Ordinary Shares after such offer, shall, as far as possible remain unaffected.*

(d) *Conversion*

The 'A' Ordinary Shares issued in accordance with these presents will not be convertible into Ordinary Shares at any time.

(e) *Mergers, Amalgamations, etc.*

In the event of any scheme, arrangement or amalgamation in accordance with the Act, and subject to other approvals and other applicable laws and these presents for amalgamation of the Company with or into any other entity and which results in a share swap or exchange, the holders of the 'A' Ordinary Shares shall receive allotment as per the terms of the scheme and as far as possible, unless specified to the Company in such scheme, the said holders shall receive Ordinary Shares with differential rights to voting or dividend of such entity.

(f) *Substantial acquisition of shares*

(i) *Where an offer is made to purchase the outstanding Ordinary Shares or voting rights or equity capital or share capital or voting capital of the Company in accordance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and other applicable laws,*

the applicability of such regulation on 'A' Ordinary Shares will result in an offer also being made to purchase 'A' Ordinary Shares in the same proportion as the offer to purchase Ordinary Shares.

Illustration: In accordance with the said Regulations where an offer is made to purchase twenty (20) percent of the outstanding Ordinary Shares or voting rights or equity capital or share capital or voting capital of the Company, such offer shall be deemed to include an offer for twenty (20) percent of the outstanding Ordinary Shares and also an offer for twenty (20) percent of the outstanding 'A' Ordinary Shares.

- (ii) *The pricing guidelines and other provisions as specified in the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 shall mutatis mutandis apply to an offer for 'A' Ordinary Shares and the percentage premium offered for the 'A' Ordinary Shares to its floor price shall be equal to the percentage premium offered for the Ordinary Shares to its floor price. All consideration to be received by holders of 'A' Ordinary Shares in accordance with any offer as stated in sub-clause (i) above shall be paid in the same form and at the same time as that received by holders of Ordinary Shares.*

Explanation: For the purposes of the said Regulations, the terms "shares", "voting rights", "equity capital", "share capital" or "voting capital" shall mean and include Ordinary Shares and 'A' Ordinary Shares as the case may be.

- (g) *Delisting*

Where the promoter (as provided in the last quarterly filing with the stock exchanges prior to making the offer) or any other acquirer proposes at any time to voluntarily delist the Ordinary Shares of the Company in accordance with the SEBI (Delisting of Securities) Guidelines, 2003 from the stock exchanges on which such Ordinary Shares are listed, such promoter or acquirer shall also make a delisting offer for the 'A' Ordinary Shares and the percentage premium offered for the 'A' Ordinary Shares to its floor price shall be equal to the percentage premium offered for the Ordinary Shares to its floor price.

- (h) *Buyback of 'A' Ordinary Shares by the Company*

Subject to Article 66, Article 66A and Article 68, the Company when exercising its power under these presents to buyback the Ordinary Shares of the Company, will offer to buyback 'A' Ordinary Shares in the same proportion and on equitable pricing terms as offered to the holders of Ordinary Shares, in accordance with applicable laws including the SEBI (Buy-Back of Securities) Regulations, 1998.

- (i) *Modification of rights pertaining to 'A' Ordinary Shares*

- (i) *Any alteration proposed by the Company to this Article 67A which affects the rights pertaining to the 'A' Ordinary Shares is required to*

be approved by not less than three-fourths of the holders of the outstanding 'A' Ordinary Shares present and voting.

(ii) For the purposes of (i) above, the Company will call a separate meeting of holders of 'A' Ordinary Shares."

9.2 As an integral part of the Scheme, and, upon Scheme becoming effective, Article 67B of the AoA shall stand replaced as set out below without any further act, instrument or deed on the part of the Company:

(a) *"67B Issue of Convertible Cumulative Preference Shares*

The Convertible Cumulative Preference Shares for the time being in the capital of the Company may be issued either with the sanction of the Company in General Meeting or by the Board.

The rights, privileges and conditions attached to the Convertible Cumulative Preference Shares of Rs.100/- each shall be as follows:-

(a) The Convertible Cumulative Preference Shares shall confer on the holders thereof, the right to a fixed preferential dividend at a rate as may be determined by the Board at the time of the issue, on the capital for the time being paid up and/ or credited as and from time to time paid up thereon.

(b) The Convertible Cumulative Preference Shares shall rank for capital and dividend (including all dividends undeclared upto the commencement of winding up) and for repayment of capital in a winding up, pari passu inter se and in priority to the Ordinary Shares of the Company but shall not confer any further or other right to participate either in profits or assets and that preferential rights shall automatically cease on conversion of these shares into Ordinary Shares.

(c) The Convertible Cumulative Preference Shares shall be converted into Ordinary Shares as per the terms determined by the Board at the time of issue; as and when converted, such Ordinary Shares shall rank pari passu with the then existing Ordinary Shares of the Company in all respects as the case may be.

(d) The holders of the Convertible Cumulative Preference Shares shall have the right to receive all notices of general meetings of the Company, but will not have the right to vote at any meetings of the Company, except to the extent and in the manner provided in the Act.

(e) The Convertible Cumulative Preference Shares shall not confer any right on the holders thereof, to participate in any offer or invitation by way of rights or otherwise to subscribe for additional Ordinary Shares in the Company, nor shall the Convertible Cumulative Preference Shares confer on the holders thereof any right to participate in any issue of bonus shares or shares issued by way of capitalization of reserves (except that the conversion price would be appropriately adjusted in the event of bonus/rights issues).

(f) The Board shall be authorised to fix the terms and conditions of the

Convertible Cumulative Preference Shares including but not limited to the terms pertaining to dividend, conversion and/ or redemption, if any. The rights and terms attached to the Convertible Cumulative Preference Shares may be modified or dealt with by the Board in accordance with the provisions of the Articles of Association of the Company.”

9.3 It is hereby clarified that for the purposes of this Clause 9:

- (a) the consent of the shareholders of the Company to the Scheme shall be deemed sufficient for the purposes of effecting the above amendment and no further resolution under Section 14 of the Act or any other applicable provisions of the Act, would be required to be separately passed; and
- (b) pursuant to the effectiveness of the Scheme, the Company shall file the requisite forms with the Registrar of Companies for alteration of its AoA.

10. EMPLOYEES

The reduction and reorganization of share capital to the extent of the ‘A’ Ordinary Shares as set out in Part C of this Scheme shall not adversely affect the employees of the Company, as there is no transfer of employees contemplated under the Scheme. On the Scheme becoming effective, all the employees of the Company shall continue with their employment, without any break or interruption in their services, on the same terms and conditions on which they are engaged as on the Effective Date.

11. CREDITORS

The reduction of the Company’s share capital as set out in Part C of this Scheme will not alter or modify the rights of the creditors and hence will not have any material impact on the creditors. The creditors of the Company shall in no way be affected by the proposed reduction of capital, as there is no reduction in the amount payable to any of the creditors, there is no cash outflow from the Company and no compromise or arrangement is contemplated with the creditors. Thus, the proposed reduction of the Company’s share capital will not, in any way, adversely affect the operations of the Company or the ability of the Company to honour its commitments or to pay its debts in the ordinary course of business.

12. COMPLIANCE WITH TAX LAWS

The Scheme has been drawn up to comply with the provisions under the Tax Laws to the extent applicable as on the date of filing of the Scheme.

13. LEGAL PROCEEDINGS

Upon the Scheme becoming effective, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands and legal proceedings of whatsoever nature by or against the Company pending and/ or arising on or before the Effective Date or which may be instituted any time thereafter shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in the Scheme but shall be continued and be enforced by or against the Company.

14. APPLICATIONS

The Company shall make application(s) under Section 230 – Section 232 and other

applicable provisions of the Act to the NCLT for sanctioning this Scheme. Further, the Company (through its Board) shall have the authority to undertake all acts and deeds necessary to give effect to this Scheme.

15. CHANGE IN CAPITAL STRUCTURE OF THE COMPANY

15.1 Without prejudice to the generality of the Scheme, during the period between the date of approval of the Scheme by the Board and up to and including the date of issuance of the consideration payable under Clause 6 pursuant to the Scheme, the Company shall not make any change in its capital structure, whether by way of increase (including by issue of equity shares (either 'A' Ordinary Shares or Ordinary Shares) on a rights basis, issue of bonus shares or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organisation of share capital, or in any other manner which may, in any way, affect the payment of the consideration as per Clause 6, except under any of the following circumstances:

- (a) by way of a resolution passed by the Board; or
- (b) on account of issuance of any Ordinary Shares pursuant to the exercise of the employee stock options and/ or the performance share units pursuant to the Employee Stock Option Scheme; or
- (c) as may be expressly permitted under this Scheme.

15.2 In the event of any such change in share capital of the Company before the payment of the consideration to the holders of the 'A' Ordinary Shares pursuant to Clause 6, the Capital Reduction Consideration shall be appropriately adjusted, if required, to take into account the effect of such issuance or corporate actions.

16. MODIFICATION OR AMENDMENTS TO THIS SCHEME

16.1 The Company (through its Board), may, in its full and absolute discretion, assent to any alteration or modification to this Scheme which the Board deems fit, including such conditions which the NCLT and/ or any other governmental authority may deem fit to approve or impose.

16.2 The Company (through its Board), may give such directions as they may consider necessary to settle any question or difficulty arising under this Scheme or in regard to and of the meaning or interpretation of this Scheme or implementation hereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions to this Scheme and if necessary, to waive any of those (to the extent permissible under Applicable Law).

17. CONDITIONS PRECEDENT

17.1 The effectiveness of the Scheme is conditional upon and subject to:

- (a) receipt of the observation letter or the no-objection letter from the Stock Exchanges in respect of the Scheme, pursuant to Regulation 11, Regulation 37, Regulation 59A, Regulation 94 and Regulation 94A of the SEBI LODR Regulations read with the SEBI Scheme Circular and SEBI Scheme Circular - Debt, and the terms of such observation letters being acceptable to the Board;
- (b) the Scheme being approved by the respective requisite majorities of the various classes of members and creditors (where applicable) of the Company, as required

under the Act and SEBI Scheme Circular and SEBI Scheme Circular - Debt, subject to any dispensation that may be granted by the NCLT;

- (c) the Scheme being approved by the public shareholders of the Company through e-voting as required under the SEBI Scheme Circular. The Scheme shall be acted upon only if votes cast by the public shareholders of the Company in favour of the proposal are more than the number of votes cast by the public shareholders of the Company against it;
- (d) the Scheme being approved by the holders of NCDs through e-voting as required under the SEBI Scheme Circular - Debt (where applicable);
- (e) the Company having received such approvals and sanctions, including consent of any government authority as may be required by Applicable Law in respect of the Scheme and on terms and conditions acceptable to the Board;
- (f) the Scheme being sanctioned by the NCLT in terms of Section 230 – Section 232 and other relevant provisions of the Act on terms acceptable to the Company; and
- (g) the certified copy of the NCLT order approving the Scheme being filed with the Registrar of Companies by the Company.

17.2 Any of the conditions precedent set out in Clause 17.1 above may, subject to Applicable Law, be waived wholly or partly by the Board, at their sole discretion and without any further approvals from any Person or without any amendment to the Scheme.

17.3 It is hereby clarified that submission of the Scheme to the NCLT and to the governmental authorities for their respective approval is without prejudice to all rights, interests, titles or defences that the Company may have under or pursuant to all Applicable Laws.

17.4 On the approval of the Scheme by the shareholders of the Company such shareholders shall also be deemed to have resolved and accorded all relevant consents under the Act or SEBI LODR Regulations or otherwise to the same extent applicable in relation to the proposal set out in this Scheme, related matters including those set out herein and the Scheme itself.

18. ADDITIONAL DISCLOSURES AS PER THE SEBI SCHEME CIRCULAR – DEBT

The additional disclosures that are required to be included in this Scheme in terms of the SEBI Scheme Circular - Debt in relation to the NCDs are set out in **Annexure A**.

19. EFFECT OF NON-RECEIPT OF APPROVALS AND WITHDRAWAL OF THIS SCHEME

19.1 The Company acting through its Board shall be at liberty to withdraw this Scheme with prior approval of the NCLT (if filed with the NCLT), in the following instances:

- (a) in case any condition or alteration imposed by any appropriate authority/ Person is unacceptable to any of them or makes the Scheme unviable to implement; or
- (b) they are of the view that coming into effect of this Scheme could have adverse implications on the Company; or
- (c) for any reason they may deem fit.

19.2 In the event of revocation / withdrawal under Clause 19.1 above, no rights or liabilities whatsoever shall accrue to or be incurred *inter se* the Company and its shareholders or creditors or employees or any other person.

20. SEVERABILITY

If any part and/ or provisions of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Company, affect the validity or implementation of the other parts and/ or provisions of this Scheme.

21. ACCOUNTS

Upon this Scheme becoming effective, if required under Applicable Law, the accounts of the Company, as on the Appointed Date, shall be reconstructed in accordance with the terms of this Scheme.

22. REMOVAL OF DIFFICULTIES

The Company through its Board may give such directions and agree to take steps, as may be necessary, desirable or proper, to resolve all doubts, difficulties or questions arising under this Scheme, whether by reason of any orders of NCLT or of any directive or orders of any governmental authority, under or by virtue of this Scheme in relation to the arrangement contemplated in this Scheme and/ or matters concerning or connected therewith or in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any manner whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of this Scheme and if necessary, to waive any of those to the extent permissible under Applicable Laws, and also do all such acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect.

23. NO CAUSE OF ACTION

No third party claiming to have acted or changed his position in anticipation of this Scheme taking effect, shall get any cause of action against the Company or its directors or officers, if the Scheme does not take effect or is withdrawn, amended or modified for any reason whatsoever.

ANNEXURE A

Additional disclosures in terms of the SEBI Scheme Circular - Debt in relation to the NCDs

Details of the NCDs	E26-B	E26-C	E26-F	E28-A Tranche II	E28-A Tranche III	E-28B Tranche I	E-28B Tranche II	E30-A	E30-B
ISIN	INE155A08191	INE155A08209	INE155A08241	INE155A08373	INE155A08399	INE155A08407	INE155A08415	INE155A08423	INE155A08431
Face Value (INR)	10,00,000	10,00,000	10,00,000	10,00,000	10,00,000	10,00,000	10,00,000	10,00,000	10,00,000
Principal (INR cr)	INR 300 cr	INR 200 cr	INR 400 cr	INR 200 cr	INR 100 cr	INR 250 cr	INR 250 cr	INR 500 cr	INR 500 cr
Coupon (%)	9.81%	9.77%	9.35%	9.31%	9.54%	8.50%	8.50%	6.60%	6.95%
Coupon payment frequency	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual
Credit rating	AA	AA	AA	AA	AA	AA	AA	AA	AA
Tenure/Maturity	Aug 20th 2024	Sept 12th 2024	Nov 10th 2023	September 29th 2023	June 28th 2024	Dec 30th 2026	January 29th 2027	May 29th 2026	March 31st 2026
Redemption terms	Bullet payment at maturity. No option for early redemption. Only option is to give open offer to repurchase the NCDs								

Safeguards for protection of holders of NCDs	Acceleration of payment in case of event of default; Events of default includes default in payment of coupon or principle or in the event of Company proceeding with any voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law; In case of delay in payment of interest an additional interest	Acceleration of payment in case of event of default; Events of default includes default in payment of coupon or principle or in the event of Company proceeding with any voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law; In case of delay in payment of interest an additional interest	Acceleration of payment in case of event of default; Events of default includes default in payment of coupon or principle or in the event of Company proceeding with any voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law; In case of delay in payment of interest an additional interest	Acceleration of payment in the case of event of default; Event of default includes default in payment of coupon or principle or in the event of Company proceeding with any voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law ; In case of delay in payment of interest an additional interest	Acceleration of payment in the case of event of default; Event of default includes default in payment of coupon or principle or in the event of Company proceeding with any voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law ; In case of delay in payment of interest an additional interest	Acceleration of payment in the case of event of default; Event of default includes default in payment of coupon or principle or in the event of Company proceeding with any voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law ; In case of delay in payment of interest an additional interest	Acceleration of payment in the case of event of default; Event of default includes default in payment of coupon or principle or in the event of Company proceeding with any voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law ; In case of delay in payment of interest an additional interest	Acceleration of payment in case of event of default; Events of default includes default in payment of coupon or principle or in the event of Company proceeding with any voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law; In case of delay in payment of interest an additional interest	Acceleration of payment in case of event of default; Events of default includes default in payment of coupon or principle or in the event of Company proceeding with any voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law; In case of delay in payment of interest an additional interest
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	@2% p.a is required to be paid to the delayed period	@2% p.a is required to be paid to the delayed period	@2% p.a is required to be paid to the delayed period	@2% p.a is required to be paid to the delayed period Step up and step down in coupon by 25bps in case of change in ratings	@2% p.a is required to be paid to the delayed period Step up and step down in coupon by 25bps in case of change in ratings	@2% p.a is required to be paid to the delayed period Step up and step down in coupon by 25bps in case of change in ratings	@2% p.a is required to be paid to the delayed period Step up and step down in coupon by 25bps in case of change in ratings	@2% p.a is required to be paid to the delayed period	@2% p.a is required to be paid to the delayed period
Exit offer for dissenting holders of NCDs	Not applicable								
Other embedded features (put option, call option, dates, notification times, etc)	Not applicable	Not applicable	Not applicable	Step up and step down in coupon by 25bps in case of change in ratings	Step up and step down in coupon by 25bps in case of change in ratings	Step up and step down in coupon by 25bps in case of change in ratings	Step up and step down in coupon by 25bps in case of change in ratings	Not applicable	Not applicable
Other terms of the instruments	All NCDs are unsecured. Company to appoint a debenture trustee for the benefit of the holders of NCDs. Company to maintain a Debenture Redemption Reserve account to the extent of 15% of the amount of NCDs maturing in the next financial year								

<p>Latest audited financials along with notes to accounts and any audit qualifications</p>	<p>Please refer to the following URL on the website of the Company: [●]</p>
<p>Auditors' certificate certifying the payment/ repayment capability of the Company</p>	<p>Please refer to the following URL on the website of the Company: [●]</p>
<p>Fairness report</p>	<p>Please refer to the following URL on the website of the Company: [●]</p>
<p>Any other information/ details pertinent to the holders of NCDs</p>	<p>Not applicable</p>

Certified to be true