

NATIONAL COMPANY LAW TRIBUNAL
MUMBAI BENCH, MUMBAI
TRANSFER COMPANY SCHEME PETITION NO. 283 OF 2017
CONNECTED WITH
HIGH COURT COMPANY SUMMONS FOR DIRECTION NO. 766
OF 2016

L&T FINANCE LIMITED ...Petitioner Company

AND

TRANSFER COMPANY SCHEME PETITION NO. 284 OF 2016
CONNECTED WITH
HIGH COURT COMPANY SUMMONS FOR DIRECTION NO. 767
OF 2016

L&T FINCORP LIMITED ...Petitioner Company

In the matter of the Companies Act, 1
of 1956;

And

In the matter of Sections 391 to 394
of the Companies Act, 1956 AND
Sections 230 to 232 of the Companies
Act, 2013;

And

In the matter of Scheme of
Amalgamation of L&T Finance
Limited and L&T FinCorp Limited,
the Transferor Companies

With

Family Credit Limited, the
Transferee Company.



o/c

CALLED FOR HEARING

Mr. Rashid Boatwalla a/w Ms. Lipsa Unadkat i/b M/s. Manilal Kher
Ambalal & Co., Advocates for the Petitioner Company.

Mr. S. Ramakantha, Joint Director for Regional Director.

Mr. Vinod Sharma, Official Liquidator.

CORAM: Shri B.S.V. Prakash Kumar, Member (J)
Shri V. Nallasenapathy, Member (T)

Date: 24th January, 2017

MINUTES OF ORDER

1. Heard learned counsel for parties. No objector has come before this Hon'ble Tribunal to oppose the Scheme and nor has any party controverted any averments made in the Petitions.
2. The sanction of this Hon'ble Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013, to a Scheme of Amalgamation of L&T Finance Limited and L&T FinCorp Limited with Family Credit Limited.
3. The Petitioner Companies and the Transferee Company have approved the said Scheme of Amalgamation by passing the Board Resolutions which are annexed to the respective Company Scheme Petitions.
4. The Learned Advocate appearing on behalf of the Petitioners states that the Petitions have been filed in consonance with the orders passed in their respective Company Summons for Direction Nos. 766 of 2016 and 767 of 2016.



5. The Learned Advocate appearing on behalf of the Petitioners has stated that the Petitioner Companies have complied with all requirements as per directions of the Hon'ble Bombay High Court and they have filed necessary affidavits of compliance in the Hon'ble Bombay High Court. Moreover, the Petitioner Companies undertake to comply with all statutory requirements, if any, as required under the Companies Act, 1956/2013 and the Rules made there under whichever is applicable. The said undertaking is accepted.
6. The Regional Director has filed his Affidavit on 17th January 2017, *inter alia*, stating therein that save and except as stated in paragraph IV (a) to (c) of the said Affidavit, it appears that the Scheme is not prejudicial to the interest of shareholders and public. In paragraph IV of the said Affidavit, the Regional Director has stated that :

"IV. The observations of the Regional directors on the proposed Scheme to be considered by the Hon'ble NCLT are as under:-

- (a) *In addition to compliance of AS-14 the Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 etc.*
- (b) *The tax implication if any arising out of the scheme is subject to final decision of Income Tax Authorities. The approval of the scheme by this Hon'ble Court may not deter the Income Tax Authority to scrutinize the tax return filed by the transferee Company after giving effect to the scheme. The decision of the Income Tax Authority is binding on the petitioner company.*



(c) *As both Transferor Companies and Transferee Company are registered NBFC Companies with RBI, NOC from RBI is required."*

7. As far as the observation of the Regional Director, Western Region, Mumbai, as stated in paragraph IV (a) of his Affidavit is concerned, the Transferee Company undertakes that in addition to compliance of AS-14 accounting treatment, the Transferee Company shall pass such accounting entries as may be necessary in connection with the Scheme to comply with any other accounting standards.
8. As far as the observation of the Regional Director, Western Region, Mumbai, as stated in paragraph IV (b) of his Affidavit is concerned, the Petitioner Company submits that the Petitioner is bound to comply with all applicable provisions of the Income Tax Act and all tax issues arising out of the Scheme will be met and answered in accordance with law.
9. As far as the observation of the Regional Director, Western Region, Mumbai, as stated in paragraph IV (c) of his Affidavit is concerned, the Petitioner Companies submit that the RBI has given its approval to the Scheme.
10. The Official Liquidator has filed his report on 24th January 2017 in Company Scheme Petition Nos. 283 of 2017 and 284 of 2017 inter alia, stating therein that the affairs of the Transferor Companies have been conducted in a proper manner and that the Transferor Companies may be ordered to be dissolved.
11. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is



not contrary to public policy.

12. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition Nos. 283 of 2017 and 284 of 2017 are made absolute in terms of prayer clauses (a) to (c).
13. Petitioners are directed to lodge a copy of this order along with a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically, along with E-Form INC-28, in addition to physical copy, as per the relevant provision of the Companies Act 1956 / 2013, whichever is applicable.
14. The Petitioner Companies in all Petitions to pay costs of Rs.25,000/- each to the Regional Director, Western Region, Mumbai, and to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from the date of the order.
15. Filing and issuance of the drawn up order is dispensed with.
16. All concerned regulatory authorities to act on a copy of this order along with the Scheme duly authenticated by the Company Registrar, National Company Law Tribunal, Mumbai.

Sd/-

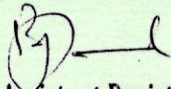
B.S.V. Prakash Kumar, Member (J)

Sd/-

V. Nallasenapathy, Member (T)



Certified True Copy
Copy Issued "free of cost"
On 26.1.17



Assistant Registrar
National Company Law Tribunal Mumbai Bench
Government of India

SCHEME OF AMALGAMATION
(UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956)

OF
L&T FINANCE LIMITED
AND
L&T FINCORP LIMITED
WITH
FAMILY CREDIT LIMITED

PART I - GENERAL

PREAMBLE

1. This Scheme of Amalgamation ("Scheme") is presented under Sections 391 to 394 of the Companies Act, 1956 and other applicable provisions of the Act (as defined hereinafter) as an integrated and complete Scheme of Amalgamation between L&T Finance Limited ("L&T Finance" or "Transferor Company - 1") and L&T FinCorp Limited ("L&T FinCorp" or "Transferor Company - 2") (together referred to as the "Transferor Companies" or /and each individually as the "Transferor Company") with Family Credit Limited ("Family Credit" or "Transferee Company").
2. Transferor Companies and the Transferee Company are part of the L&T Financial Services group. Transferor Companies and the Transferee Company are wholly-owned subsidiaries of L&T Finance Holdings Limited, a company incorporated under the provisions of the Companies Act, 1956, having its Registered office at L&T House, N. M. Marg, Ballard Estate, Mumbai - 400 001 and its equity shares being listed on the National Stock Exchange of India Limited and BSE Limited.
3. The Scheme is in the best interest of the Transferor Companies and Transferee Company and their respective customer, shareholders, creditors, employees and all other stakeholders.

DESCRIPTION OF THE COMPANIES

1. L&T FINANCE LIMITED ("L&T Finance")

L&T Finance Limited (CIN:U65990MH1994PLC083147) is a public company incorporated on 22nd November, 1994 under the provisions of the Companies Act, 1956, having its Registered office at L&T House, N. M. Marg, Ballard Estate, Mumbai - 400 001. L&T Finance is a Non-Banking Finance Company ("NBFC") registered with the Reserve Bank of India ("RBI") under the category "Asset Finance Company-Non Deposit Taking". Equity Shares of L&T Finance are not listed. However, debentures issued by L&T Finance are listed on BSE Limited and National Stock Exchange of India Ltd. L&T Finance is engaged in the business of enterprise finance catering to various segments, commercial vehicle finance and rural finance. It is also engaged in the business of microfinance in the rural sector and distribution of various financial products.

2. L&T FINCORP LIMITED ("L&T FinCorp")

L&T FinCorp Limited (CIN: U65910MH1997PLC108179) is a public company incorporated on 21st May, 1997 under the provisions of the Companies Act, 1956, having its Registered office at L&T House, N. M. Marg, Ballard Estate, Mumbai - 400 001. L&T FinCorp is a Non-Banking Finance Company registered with RBI under the category "Loan Company - Non Deposit Taking". Equity Shares of L&T FinCorp are not listed. However, debentures issued by L&T FinCorp are listed on National Stock Exchange of India Ltd. L&T FinCorp is engaged in the business of lease financing and equipment financing catering to various business segments like vendor finance, dealer finance, term loans, car finance and loan against shares.

3. FAMILY CREDIT LIMITED ("Family Credit")

Family Credit Limited (CIN: U65910WB1993FLC060810) is a public company incorporated on 24th Nov, 1993 under the provisions of the Companies Act, 1956, having its registered office presently at Technopolis, 7th Floor, A- Wing, Plot No. - 4, Block - BP, Sector -V, Salt Lake, Kolkata, West Bengal - 700 091. Equity Shares of Family Credit are not listed, however, debentures issued by Family Credit are listed on National Stock Exchange of India Ltd. Family Credit is a Non-Banking Finance Company registered with RBI under the category "Loan Company - Non Deposit Taking". Family Credit is engaged in the business of financing of two wheelers, auto loans (new & used) & corporate products. It acts as the composite corporate agent for insurance products.

RATIONALE FOR THE SCHEME OF AMALGAMATION:

1. The amalgamation of the Transferor Companies with the Transferee Company would *inter alia* have the following benefits:
 - a. L&T Finance is an NBFC registered with RBI as an Asset Finance Company-Non Deposit Taking, whilst, L&T Fincorp and Family Credit are NBFCs, registered with RBI as Loan Companies. While each entity is lending to distinct segments, it is proposed to consolidate the business of the lending entities for creation of a single larger unified entity and reduce the number of NBFCs within the L&T Financial Services Group ("LTFS/Group"). The merged entity would have a substantial portion of its assets in the Business to Consumer (B2C) segment. Family Credit, having been substantially in this segment for several years, carries with it a rich legacy of best practices, systems and processes that are best suited for the retail business. It would therefore be advantageous to merge L&T Finance and L&T FinCorp with Family Credit, such that the practices, systems and processes, that are scalable and robust, could continue to support the merged entity.
 - b. The Transferee Company shall have better leveraging capability due to its enlarged net worth base and increased capability for offering a wider portfolio of products and services by virtue of its diversified businesses and resource base and deeper client relationships, resulting in enhanced businesses potential and better prospects for the Group.
 - c. Synergies arising out of consolidation of alike and supporting businesses through the amalgamation will lead to (a) reflection of fair value of Transferor Companies in the amalgamated Transferee Company (as all assets, tangible and intangible, including off-balance sheet items of Transferor Companies shall be taken over by Transferee Company and all assets shall be recorded at their respective fair values in the books of Transferee Company); and (b) improved earnings and cash flow of amalgamated Transferee Company.
 - d. The amalgamation will result not only in consolidating and improving the internal systems, procedures and controls but will also bring greater management and operational efficiency due to integration of various similar functions presently being carried out in each individual entity within the group such as

information technology, human resources, finance, legal and general management, and this will lead to the organization becoming more efficient and capable of responding swiftly to volatile and rapidly changing market scenarios.

- e. The amalgamation will streamline the decision making process, help in better utilization of human resources and will also provide better career opportunities to employees.
- f. The amalgamation will bring about simplicity in work, reduce various statutory and regulatory compliances and related costs, which presently have to be duplicated in different entities, reduction in operational and administrative expenses and overheads, and better cost and operational efficiencies.
- g. It would be advantageous to combine the activities and operations of the Transferor Companies into a single company for synergistic linkages and the benefit of combined financial resources. This will be reflected in the profitability of the Transferee Company.
- h. The amalgamation is, thus, likely to result in facilitating enhancement in value for all stakeholders and seamless access to strong business relationships of the Transferor Companies and is expected to provide other intangible benefits that Transferor Companies has built over decades, while at the same time enhancing the scale of operations and enabling better attention and focus to be given in an integrated manner to all the businesses so as to enable achievement of their full potential.

PARTS OF THE SCHEME

The Scheme is divided into the following parts:

1. Part A deals with the definitions and interpretations used in the Scheme;
2. Part B deals with the Capital Structure of the Transferor Companies and Transferee Company;
3. Part C deals with amalgamation of the Transferor Companies with the Transferee Company;
4. Part D deals with accounting treatment for the amalgamation in the books of Transferee Company
5. Part E deals with the general terms and conditions that would be applicable to the entire Scheme.

6. Part F deals with other terms and conditions.

In addition to the above, the Scheme also provides for various other matters consequential or otherwise integral to it.

PART A - DEFINITIONS AND INTERPRETATION

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

- A-1. "Act" means the Companies Act, 1956 and the rules and regulations made thereunder and shall include any alterations, statutory modification(s), re-enactment(s) or amendment thereof for the time being in force and also mean and refer to corresponding sections of the Companies Act, 2013 (the New Act), the rules and regulations made thereunder, as and when such corresponding sections are notified by the Central Government;
- A-2. "Amalgamating Undertaking" means the entire business and all the undertakings, assets, business activities, properties, investments and liabilities of whatsoever nature and kind and wheresoever situated, of the Transferor Companies on a going concern basis and shall include but not limited to:
- a) All assets, properties, business and commercial rights or any other assets (including deferred tax assets), whether appearing in the Financial Statements or not, wherever situated, whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal of whatsoever nature, wheresoever situated including shares or other investments held in any entity or person, buildings, offices, marketing offices, liaison offices, furniture, fixtures, office equipment, appliances, accessories, inventories, any facilities, cash and bank accounts (including bank balances), benefit of any deposits, financial assets, investments, including investments in any form and in any entity, all cash balances with any person and other banks, loans, advances, contingent rights or benefit of any security interests, collateral, bank guarantees, performance guarantees and letters of credit, and all cash or cash equivalents appertaining or relating to the Transferor Companies including whether or not recorded in the books of account or disclosed in the balance sheet of the Transferor Companies (hereinafter referred to as "the Assets");
 - b) All debts, borrowings, obligations, duties and liabilities, both present and future (including deferred tax liabilities, contingent

liabilities and the liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Indian rupees or foreign currency, whether provided for or not in the books of account or disclosed in the balance sheet of the Transferor Companies (hereinafter referred to as "the Liabilities");

- c) all permits, rights, entitlements, registrations for carrying on non-banking financial activities and other licenses, approvals, permissions, consents from various authorities including the RBI (whether granted or pending), receivables, funds belonging to or utilized for the Transferor Companies', privileges, memberships, lease rights, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements (including agreements with clients and customers, employees and any other person), contracts and arrangements, letters of intent, memoranda of understanding, expressions of interest whether under agreement or otherwise and all other interests in connection with or relating to the Transferor Companies;
- d) Without prejudice to the generality of sub-clause (a & c) above, the Amalgamating Undertaking of each of the Transferor Companies shall include without being limited to each of such Transferor Company's statutory reserves, authorised share capital, sundry debtors, investments in mutual funds, and all other rights and balances, title, interests, other benefits (including tax benefits) and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by each of such Transferor Company, including but without being limited to, trade and service names and marks, patents, domain names, brands, trade secrets, product registrations, knowhow, copyrights, and other intellectual property rights (whether owned, licensed or otherwise, whether registered or unregistered) of any nature whatsoever (including application for registration of the same and right to use such intellectual rights), authorisations, status, rights to use and avail of telephones, telex, facsimile, email, internet, leased line connections and installations, utilities, water, electricity and other services, reserves, provisions, funds, benefits of all agreements in connection with or relating

- to each of such Transferor Companies and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by each of such Transferor Company, whether in India or abroad.
- e) all rights and benefits including any tax, direct or indirect (including advance tax), paid or any tax deducted in respect of any income received, exemptions, accumulated tax losses, unabsorbed depreciation, minimum alternate tax credits, all other rights, benefits and liabilities related thereto in connection with the Transferor Companies.
 - f) any and all permanent employees, who are on the payrolls of the Transferor Companies, engaged by the Transferor Companies, at its respective offices, branches or otherwise, and any other employees/personnel hired by the Transferor Companies; and
 - g) all records, files, papers, engineering and process information, computer programmes, software licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records whether in physical or electronic form.
- A-3. "Amalgamation" shall mean the amalgamation of the Transferor Companies with the Transferee Company in terms of Section 2(1B) of the Income Tax Act, 1961, as contemplated under this Scheme;
- A-4. "Appointed Date" means April 1, 2016 or such other date as may be directed by the High Court(s) being the date with effect from which the Scheme shall upon sanction of the same by the High Court(s), be deemed to be operative;
- A-5. "Appropriate Authority" means any governmental, statutory, departmental or public body or authority, including Registrar of Companies, Regional Director, Company Law Board, National Company Law Tribunal, Competition Commission of India and the High Court(s);
- A-6. "Board of Directors" in relation to the Transferor Companies and the Transferee Company, as the case may be, means the board of directors of such company and shall include any committee(s) duly constituted and authorized thereby for the purpose of matters.

pertaining to the Scheme and/or any other consequential or connected or incidental matter in relation thereto;

- A-7. "Effective Date" means the last of the dates on which all the conditions and matters referred to in Clause E-9 of this Scheme have been fulfilled. Reference in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" or "upon the Scheme coming into effect" shall mean the Effective Date.
- A-8. "Governmental Authority" means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau, instrumentality, judicial or arbitral body, statutory body including the RBI or any other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law;
- A-9. "High Court(s)" means the concerned High Court(s) having jurisdiction over the Transferor Companies and the Transferee Company and shall include the National Company Law Tribunal or such other forum or authority as may be vested with any of the powers of a High Court for the purpose of Section 391 to 394 of the Act or Sections 230 to 232 of the New Act, as applicable;
- A-10. "L&T Finance" shall mean L&T Finance Limited, a public company incorporated on 22nd November, 1994 under the provisions of the Companies Act, 1956, having its registered office at L&T House, N. M. Marg, Ballard Estate, Mumbai 400 001;
- A-11. "L&T FinCorp" shall mean L&T FinCorp Limited, a public company incorporated on 21st May, 1997 under the provisions of the Companies Act, 1956, having its registered office at L&T House, N.M. Marg, Ballard Estate, Mumbai 400.001;
- A-12. "Record Date" means the date fixed by the Board of Directors of the Transferee Company or a committee thereof for the purpose of determining the members of the Transferor Companies to whom shares will be allotted pursuant to the Scheme;
- A-13. "Scheme" means the Scheme of Amalgamation in its present form submitted to High Court(s) or any other Appropriate Authority in the relevant jurisdictions for sanction with or without any modification(s) approved or imposed or directed by the said High Court(s) or any other Appropriate Authority;

- A-14. "Share Exchange Ratio" shall have the meaning ascribed to it in Clause C-23 hereof;
- A-15. "Transferor Companies" shall mean L&T Finance and L&T FinCorp together.
- A-16. "Transferee Company" shall mean Family Credit Limited, an unlisted public company incorporated on 24th Nov, 1993 under the provisions of the Companies Act, 1956, having its registered office presently at Technopolis, 7th Floor, A- Wing, Plot No. - 4, Block - BP, Sector -V, Salt Lake, Kolkata, West Bengal - 700 091.
- A-17. All terms and words used in this Scheme shall, unless repugnant or contrary to the subject or context or meaning thereof, have the same meaning ascribed to them under the Act or the New Act, as applicable, the Income Tax Act, 1961 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof for the time being in force.
- A-18. In this Scheme, unless the context otherwise requires:
- (a) words denoting singular shall include plural and vice versa;
 - (b) headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;
 - (c) references to the word "include" or "including" shall be construed without limitation;
 - (d) a reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;
 - (e) unless otherwise defined, the reference to the word "days" shall mean calendar days;
 - (f) references to dates and times shall be construed to be references to Indian dates and times;
 - (g) reference to a document includes an amendment or supplement to, or replacement or novation of, that document; and
 - (h) 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 councilor, employee representatives body (whether or not having separate legal personality).

- (i) references to any of the terms taxes, duty, levy, cess in the Scheme shall be construed as reference to all of them whether jointly or severally.
- (j) word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them.
- (k) any reference to any statute or statutory provision shall include:
 - (i) all subordinate legislations made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment; and
 - (ii) such provision as from time to time be amended, modified, re-enacted or consolidated (whether before or after the filing of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the matters contemplated under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced.

PART B - CAPITAL STRUCTURE OF THE TRANSFEROR COMPANIES AND TRANSFEREE COMPANY

The authorized and the issued, subscribed and paid up share capital of each of the Transferor Companies and the Transferee Company as on 30th June, 2016 are as under:

a) L&T Finance Limited

The share capital of L&T Finance Limited as of 30th June, 2016 is as under:

L&T FINANCE	As at 31st March, 2016	
	Nos.	Rs.
SHARE CAPITAL		
AUTHORIZED		
Equity Shares of Rs. 10/- each fully paid up	200,00,00,000	2000,00,00,000
Total	200,00,00,000	2000,00,00,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
Equity Shares of Rs. 10 each fully paid-up, held by L&T Finance Holdings Limited jointly with its nominees.	23,84,22,269	238,42,22,690
Total	23,84,22,269	238,42,22,690

b) L&T FinCorp Limited

The share capital of L&T FinCorp Limited as of 30th June, 2016 is as under:

L&T FINCORP	As at 31 st March, 2016	
	Nos.	Rs.
SHARE CAPITAL		
AUTHORIZED		
Equity Shares of Rs. 10 each	30,00,00,000	300,00,00,000
Total	30,00,00,000	300,00,00,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
Equity Shares of Rs. 10 each fully paid-up held by L&T Finance Holdings Limited jointly with its nominees.	272,966,428	2,729,664,280
Total	272,966,428	2,729,664,280

c) Family Credit Limited

The share capital of Family Credit Limited, the Transferee Company as of 30th June, 2016 is as follows:

Transferee Company	As at 31 st March, 2016	
	Nos.	Rs.
SHARE CAPITAL		
AUTHORIZED		
Equity Shares of Rs. 10 each	35,43,09,610	354,30,96,100
Cumulative Preference Shares of Rs. 100/- each	10,00,000	10,00,00,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
Equity Shares of Rs. 10 each fully paid-up, held by L&T Finance Holdings Limited (L&T FHL) jointly with its nominees.	20,43,09,610	204,30,96,100
Total	20,43,09,610	204,30,96,100

After the date stated above there has been no change in authorised, issued, subscribed and paid up share capital of the Transferor Companies and the Transferee Company.

PART C - AMALGAMATION OF THE TRANSFEROR COMPANIES WITH THE TRANSFEREE COMPANY

Transfer and Vesting of the Amalgamating Undertaking

- C-1: Upon the Scheme coming into effect and with effect from the Appointed Date, the Amalgamating Undertaking of the Transferor Companies shall in accordance with Section 2(1B) of the Income Tax Act, 1961, pursuant to the sanction of the Scheme by the High Court(s) under the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act or the New Act, be and stand transferred to and vested in and/or be deemed to have been transferred to and vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme. The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the

High Court, shall be effective from the Appointed Date but shall be operative from the Effective Date.

- C-2. Without prejudice to the generality of Clause C-1 hereinabove, upon the Scheme coming into effect and with effect from the Appointed Date, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances shall, subject to the provisions of Clauses C-3 and C-4 in relation to the mode of vesting and pursuant to the provisions of the Act and without any further act, instrument or deed, be and shall stand transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company as a going concern pursuant to the provisions of Section 394 of the Act and other applicable provisions of the said Act, so as to become as and from the Appointed Date, the assets, estates, rights, claims, title interest and authorities of the Transferee Company.
- C-3. In respect of such of the assets and properties of the Transferor Companies as are movable in nature or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and/or delivery, the same shall stand transferred by each of the Transferor Companies upon the coming into effect of this Scheme, and shall, upon such transfer, become the assets and properties of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Section 394 of the Act and all other provisions of the applicable law, if any, without requiring any deed or instrument of conveyance for transfer of the same.
- C-4. In respect of such of the assets and properties belonging to the Transferor Companies other than those referred to in Clause C-3 above, including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Government, quasi government, local or other authority or body corporate or with any company or other person, the same shall, as more particularly provided in Clause C-2 above, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, be transferred to and vested in and/or be deemed to have been and stand transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Section 394 of the Act.
- C-5. All immovable properties of the Transferor Companies, including land together with the buildings and structures standing thereon or

under construction and rights and interests in immovable properties (whether freehold or leasehold, leave and licensed or otherwise) including any tenancies in relation to warehouses, office space, guest houses and residential premises including those provided to/occupied by the employees of the Transferor Companies, all plant and machineries constructed on or embedded or attached to any such immovable properties, all rights, covenants, continuing rights, title and interest in connection with the said immovable properties, and all documents of title, rights and easements in relation thereto shall upon the Scheme becoming effective, stand transferred to and be vested in and be deemed to have been transferred to and vested in the Transferee Company, without any further act or deed done/executed or being required to be done/executed by the Transferor Companies and/or the Transferee Company. The Transferee Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfill all obligations in relation to or applicable to such immovable properties. The mutation of the ownership or title, or interest in the immovable properties shall, upon the Scheme becoming effective, be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of the Scheme by the High Court(s) in accordance with the terms hereof.

- C-6. All the licenses, permits, entitlements, quotas, approvals, sanctions, permissions, registrations, exemptions and benefits, incentives, loans, subsidies, concessions, grants, rights, claims, leases, tenancy rights, service tax, liberties, rehabilitation schemes, special status (including the licenses/approvals granted by any Government, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith) and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Companies and all rights and benefits that have accrued or which may accrue to each of the Transferor Companies after the Appointed Date and prior to the Effective Date in connection with or in relation to the operation of the Amalgamating Undertaking shall upon coming into effect of this Scheme, under the provisions of Sections 394 of the Act and all other applicable provisions of the Act, if any, without any further act, instrument or deed, cost or charge, be and stand transferred to and vested in and/or be deemed to have been transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date, the licenses, permits, entitlements, quotas, approvals, sanctions, permissions, registrations, exemptions and benefits, incentives, loans, subsidies, concessions, grants, rights, claims, leases, tenancy rights, service tax, liberties, rehabilitation schemes, special status

(including the licenses/approvals granted by any Government, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith) and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible under law. It is hereby clarified that all inter party transactions between each of the Transferor Companies and the Transferee Company shall be considered as intra party transactions for all purposes from the Appointed Date.

- C-7. All the intellectual property rights of any nature whatsoever, including but not limited to intangible assets, including trademarks, logos, service marks, copyrights, domain names, trade names and applications relating thereto, goodwill, knowhow and trade secrets, pertaining to the Transferor Companies whether or not provided in books of accounts of Transferor Companies, without any cost, further act, instrument or deed, be and stand transferred to and vested in the Transferee Company as a part of the transfer of the Amalgamating Undertaking of the Transferor Companies as a going concern, so as to become, as and from the Appointed Date, the intellectual property of the Transferee Company.
- C-8. All intangible assets including various business or commercial rights, Goodwill, etc. belonging to but not recorded in books of the Transferor Companies, shall be transferred to and vested with the Transferee Company and shall be recorded at their respective fair values. The consideration agreed under the Scheme shall be deemed to include payment towards these intangible assets at their respective fair values. Such intangible assets shall, for all purposes, be regarded as intangible assets in terms of Explanation 3(b) to Section 32(1) of Income Tax Act, 1961 and shall be eligible for depreciation there under at the prescribed rates.
- C-9. All taxes (including but not limited to advance tax, tax deducted at source, minimum alternate tax credits, securities transaction tax, input credit, CENVAT, entry tax, taxes withheld/paid in a foreign country, value added tax, sales tax, service tax or goods and service tax, as applicable, excise duty, cess, wealth tax, fringe benefit tax and tax collected at source, etc.) payable by or refundable to or being the entitlement of the Transferor Companies, including all or any refunds or claims shall be treated as the tax liability or refunds/credits/claims, as the case may be, of the Transferee Company, and any tax incentives, advantages, privileges, exemptions, rebates, credits, remissions, reductions and/or any other benefit, as would have been available to the Transferor Companies, shall pursuant to the Scheme becoming effective, be

available to the Transferee Company. Benefit of tax losses including brought forward business loss, unabsorbed depreciation, etc., up to the Appointed Date in relation to the Scheme, shall be available to the Transferee Company w.e.f. from Appointed Date as may be available in terms of the provisions of Income Tax Act, 1961.

- C-10. Any tax liabilities under the income tax, customs, excise, sales tax, services tax, or other applicable laws/regulations dealing with taxes/duties/levies allocable or related to the business of each of the Transferor Companies to the extent not provided for or covered by the provision for tax in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company. Any surplus in the provision for taxation/duties/levies account including advance tax and tax deducted at source (TDS) as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.
- C-11. The Transferee Company shall be entitled to claim refunds or credits, including input tax credits, with respect to taxes paid by, for, or on behalf of the Transferor Companies under applicable laws, including but not limited to sales tax, value added tax, service tax, excise duty, cess or any other tax, whether or not arising due to any inter se transaction, even if the prescribed time limits for claiming such refunds or credits have lapsed. Any inter-se transactions in relation to the Transferor Companies and the Transferee Company between the Appointed Date and Effective Date shall be considered as transactions to self and the Transferee Company shall be entitled to claim refund of tax paid, if any on these inter-se transactions, as per the applicable laws. Consequently, no tax relating to inter-se transaction is payable or demandable from either the Transferor Companies or Transferee Company since the inter-se transactions were between the same persons.
- C-12. Benefits of any and all corporate approvals as may have already been taken by the Transferor Companies, whether being in the nature of compliances or otherwise, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred and vested in the Transferee Company as a part of the transfer of the Amalgamating Undertaking as a going concern, and the said corporate approvals and compliances shall be deemed to have originally been taken/complied with by the Transferee Company.

- C-13. Such of the assets which are acquired by the Transferor Companies on or after the Appointed Date but prior to the Effective Date, shall without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party for the transfer of the same, be and stand transferred to and vested in and/or be deemed to have been transferred to and vested in the Transferee Company as a going concern, so as to become, as and from the Appointed Date, the assets of the Transferee Company.
- C-14. Upon the coming into effect of this Scheme and with effect from the Appointed Date:
- (a) All the secured and unsecured debts, (whether in rupees or in foreign currency), all liabilities, duties and obligations of each of the Transferor Companies along with any charge, encumbrance, lien or security thereon shall, pursuant to the applicable provisions of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the debts, liabilities, duties and obligations of the Transferee Company, and further 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 clause. It is clarified that in so far as the Assets of each of the Transferor Companies are concerned, the security or charge over such Assets or any part thereof, if any, relating to any loans, debentures or borrowing of each of such Transferor Companies, shall, without any further act or deed continue to relate to such Assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any or any part of the assets of the Transferee Company.
 - (b) Assets of the Transferee Company shall not relate to or be available as security in relation to the said borrowings of any of the Transferor Companies unless the Transferee Company otherwise agrees.
 - (c) Where any of the liabilities and obligations of each of the Transferor Companies as on the Appointed Date transferred to the Transferee Company have been discharged by such Transferor Companies after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.

(d) All loans raised and utilized and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by each of the Transferor Companies, if any, in relation to or in connection with the Amalgamating Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of Section 394(2) of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

C-15. For the removal of doubts it is clarified that to the extent that there are inter-company loans, deposits, obligations, balances or other outstandings including any interest thereon, as between each of the Transferor Companies and the Transferee Company, if any, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of such assets or liabilities as the case may be.

C-16. All the secured and unsecured redeemable non-convertible debentures ("NCD") (whether in rupees or in foreign currency) of the Transferor Companies, shall, pursuant to the provisions of Section 394(2) of the Act, without any further act, instrument, deed cost or charge become the NCD of the Transferee Company on the same terms and conditions except to the extent modified under the provisions of this Scheme.

All rights, powers, duties and obligations in relation to NCD so transferred, shall be and shall stand transferred to and vested in or deemed to be transferred to and vested in and shall be exercised by or against the Transferee Company as if it was the issuer of NCD so transferred. Subject to the requirements of the stock exchanges, and other terms and conditions agreed with the stock exchanges, the NCD transferred to the Transferee Company shall be listed and/or admitted to trading on the stock exchanges, where such NCD are currently listed and/or admitted to trading. In addition, the Transferee Company shall be authorised to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to list the various NCD on the relevant exchanges.

All the debenture documents executed between the Transferor Companies, the debenture holders and debenture trustees in respect of the NCD so transferred, shall continue to remain in full force and effect against or in favour of the Transferee Company as if the Transferee Company had been a party thereto in place and stead of the Transferor Companies.

- C-17. Without prejudice to the provisions of the foregoing clauses and upon the effectiveness of this Scheme, the Transferee Company and the Transferor Companies shall execute any instrument/s and/or document/s and/or do all the acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the respective Registrar of Companies to give formal effect to the above provisions, if required.
- C-18. The provisions of this Scheme as they relate to the amalgamation of the Transferor Companies into the Transferee Company have been drawn up to comply with the conditions relating to "amalgamation" as defined under Section 2(1B) of the Income Tax Act, 1961. If any terms or provisions of the scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income Tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act, 1961. Such modification will, however, not affect the other parts of the Scheme.
- C-19. Legal Proceedings:
- (a) All proceedings of whatsoever nature (legal and others, including any suits, actions, appeals, arbitrations, execution proceedings, revisions, writ petitions, proceedings in respect of registrations of any patent, copyright, trademark, service names or marks, or designs, if any) by or against the Transferor Companies shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer and vesting of the Amalgamating Undertaking or anything contained in this Scheme but the said proceedings, shall, till the Effective Date be continued, prosecuted and enforced by or against the Transferor Companies, as if this Scheme had not been made.
- (b) Upon the coming into effect of this Scheme, all suits, actions, legal proceedings, taxation proceedings and other proceedings of whatsoever nature including proceedings in respect of

registrations of any patent, copyright, trademark, service names or marks, or designs (the "Proceedings") by or against each of the Transferor Companies pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company as effectually as if the same had been pending and/or had arisen by or against the Transferee Company.

- (c) The Transferee Company undertakes to have accepted on behalf of itself, all suits, claims, actions and legal proceedings initiated by or against the Transferor Companies transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company and any payment and expenses made thereto shall be the liability of the Transferee Company only upon effectiveness of the Scheme and not otherwise.

C-20. Contracts:

- a. Upon the coming into effect of this Scheme, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, incentives, licenses, engagements, approvals, registrations and assurances and other instruments of whatsoever nature ("Contracts") to which each of the Transferor Companies are a party or to the benefit of which each of the Transferor Companies may be eligible, and which have not lapsed and are subsisting or having effect immediately before the Effective Date, shall continue to be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectually as if, instead of each of such Transferor Companies, the Transferee Company had been a party or beneficiary or obligee thereto. The Transferee Company may if and wherever necessary, enter into and/or issue and/or execute deeds, writings or confirmations at any time, enter into any tripartite arrangements, confirmations or novations prior to the Effective Date to which each of the Transferor Companies will, if necessary, also be a party in order to give formal effect to the provisions of this Clause.
- b. The Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which each of the Transferor

Companies were a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of Part C of this Scheme, be deemed to be authorised to execute any such writings on behalf of each of the Transferor Companies to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of each of the Transferor Companies.

C-21. Employees

Upon the coming into effect of this Scheme:

- (a) All the employees of each of the Transferor Companies in service as on the Effective Date shall be deemed to have become the employees of the Transferee Company, without any break or interruption in their service and on the terms and conditions not less favourable than those subsisting with reference to the Transferor Companies as on the said date. For the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such Employees with each of the Transferor Companies and such benefits to which the Employees are entitled in each of the Transferor Companies shall also be taken into account, and paid (as and when payable) by the Transferee Company.
- (b) With regard to provident fund, gratuity fund, superannuation scheme, pension scheme or any other special funds or schemes created or existing for the benefit of such employees (hereinafter referred to as the "said Funds") of the Transferor Companies, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Companies for all purposes whatsoever relating to the administration or operation of such schemes or funds including in relation to the obligations 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. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Companies in relation to such Funds shall become those of the Transferee Company and the Transferee Company will take actions as may be deemed appropriate in relation to the Funds to ensure continuance of benefits to the employees of the Transferor Companies in accordance with the applicable legislations.

- (c) Upon the Scheme becoming effective, the Transferor Companies will transfer/handover to the Transferee Company, copies of employment information of all employees of Transferor Companies, including but not limited to, personnel files (including hiring documents, existing employment contracts, and documents reflecting changes in an employee's position, compensation, or benefits), payroll records, medical documents (including documents relating to past or ongoing leaves of absence, on the job injuries or illness, or fitness for work examinations), disciplinary records, supervisory files relating to its and all forms, notifications, orders and contribution/identity cards issued by the concerned authorities relating to benefits transferred pursuant to this sub-clause.
- (d) The contributions made by each of the Transferor Companies in respect of its employees under applicable law, to the provident fund, gratuity fund, superannuation scheme, pension scheme, leave encashment and any other special scheme or benefits created, for the period after the Appointed Date shall be deemed to be contributions made by the Transferee Company.
- (e) Transferee Company shall continue to abide by any agreement(s)/ settlement(s) entered into by the Transferor Companies with its employees prior to Appointed Date and from Appointed Date till the Effective Date.

C-22. Saving of Concluded Transactions:

The transfer of the Amalgamating Undertaking, the continuance of Proceedings and the effectiveness of Contracts as mentioned hereinabove, shall not affect any transaction or Proceedings or Contracts already concluded by the Transferor Companies on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by each of the Transferor Companies in respect thereto, as if done and executed on its behalf.

C-23. Consideration for Amalgamation:

- (a) Upon the Scheme becoming effective, the Board of Directors of the Transferee Company shall fix a Record Date, for determining the entitlement of the shareholders of the

Transferor Companies the number of fully paid-up equity shares, to be issued by the Transferee Company in accordance with below sub clause (b) of clause C-23 of this Scheme ("Record Date"). The Transferor Companies shall provide to the Transferee Company, a list containing particulars of equity shareholders of the Transferor Companies as on the Record Date, along with their respective entitlement to the fully paid-up equity shares of the Transferee Company that would be required to be issued and allotted by the Transferee Company to the shareholders of the Transferor Companies, in terms of below mentioned sub clause (b) of clause C-23 of this Scheme.

- b) Upon the Scheme becoming effective and in consideration of the transfer and vesting of the Amalgamating Undertaking pursuant to Part C of this Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot equity shares to the equity shareholders of the Transferor Companies on the Record Date, in the following proportion ("Share Exchange Ratio"):
- i. 350 (Three Hundred and Fifty) equity shares of face value of Rs. 10 (Ten) each in the Transferee Company for every 100 (One Hundred) equity shares of face value of Rs. 10 (Ten) each held in L&T Finance;
 - ii. 147 (One Hundred and Forty Seven) equity shares of face value of Rs. 10 (Ten) each in the Transferee Company for every 100 (One Hundred) equity shares of face value of Rs. 10 (Ten) each held in L&T Fincorp;

The equity shares to be issued by the Transferee Company to the shareholders of each of the Transferor Companies in accordance with this clause shall be hereinafter referred to as "New Equity Shares". Fractional entitlements, if any, to the shares will be rounded off to the nearest whole number. The equity shares of the Transferor Companies are held individually by L&T Finance Holdings Limited and jointly with its nominees. It is clarified that on the Record Date, the Transferee Company shall issue New Equity Shares only to L&T Finance Holdings Limited for the shares held individually by it and no shares will be issued to the nominees who are holding the shares jointly with L&T Finance Holdings Limited.

- c) The Share Exchange Ratio has been arrived at on basis of the valuation report of M/s D. B. Desai & Associates, an independent chartered accountant.

- d) Upon the New Equity Shares being issued and allotted, to the shareholders of each of the Transferor Companies according to the Share Exchange Ratio, the equity shares of each of the Transferor Companies both in electronic form and in physical form in relation to the shares held by the shareholders shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled and be of no effect on and from the Record Date.
- e) The New Equity Shares issued and allotted by the Transferee Company to the shareholders in terms of this Scheme shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall rank pari passu in all respects with the then existing equity shares of the Transferee Company, including in respect of dividends, if any, that may be declared by the Transferee Company, on or after the Effective Date.
- f) The New Equity Shares issued pursuant to sub-clause (b) above shall be issued in the dematerialized form by Transferee Company unless otherwise notified in writing by the shareholders of the Transferor Companies on or before such date as may be determined by the Board of Directors of the Transferee Company or a committee thereof. In the event, such notice has not been received by the Transferee Company in respect of any of the members of the Transferor Companies, the new equity shares shall be issued to such shareholders in dematerialized form subject to the members of Transferor Companies having or opening an account with a depository participant and providing details thereof and such other confirmations as may be required by Transferee Company. Only upon receipt of details of account with a depository participant and other required confirmations, from such shareholders of each of Transferor Companies, Transferee Company shall issue and directly credit the dematerialized securities to the account of such members of Transferor Companies with the depository participant. In the event that the Transferee Company has received the notice from any of the shareholders of the Transferor Companies that the new equity shares are to be issued in certificate form or if any shareholder has not provided the requisite details regarding the account with a depository participant or other confirmations as may be required, then the Transferee Company shall issue the new equity shares in certificate form to such members of the Transferor Companies.

- g) In the event that the any of the Transferor Companies and Transferee Company restructures their equity share capital by way of share split/ consolidation/issue of bonus shares during the pendency of the Scheme, the Share Exchange Ratio shall be adjusted accordingly to take into account the effect of any such corporate actions.
- h) The issue and allotment of New Equity Shares to the shareholders of the Transferor Companies as provided in this Scheme, is an integral part hereof and shall be deemed to have been carried out without requiring any further act on part of the Transferee Company or its shareholders and as if the procedure laid down under Section 62(1)(c) of the New Act and any other applicable provisions of the Act or New Act (as applicable), and such other statutes and regulations as may be applicable were duly complied with.

C-24. Combination of Authorized Share Capital:

- (a) Upon coming into effect of the Scheme, the Authorized Share Capital of each of the Transferor Companies as on the Effective Date, shall be deemed to be added to the Authorized Share Capital of the Transferee Company as on such date without any further act, deed, procedure or formalities. The filing fees and stamp duty, if any, paid by all the Transferor Companies on their respective Authorized Share Capital, shall be deemed to have been so paid by the Transferee Company on the increased Authorized Share Capital and accordingly, the Transferee Company shall not be required to pay any fee/stamp duty for its increased Authorized Share Capital.
- (b) Consequently, the Memorandum of Association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended, pursuant to Sections 13 and 61 of the New Act and Section 394 of the Act and other applicable provisions of the Act, as set out below:
 - i. The authorised equity share capital of the Transferee Company shall be increased by Rs. 23,00,00,00,000 (Rupees Two Thousand Three Hundred Crores) divided into 2,30,00,00,000 (Two Hundred and Thirty Crores) equity shares of Rs. 10 (Rupees ten) each.

- ii. Upon coming into effect of the Scheme, Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, deed or instrument, be substituted by the following clause:

"The Authorised Share Capital of the Company is Rs.26,64,30,96,100/- (Rupees Two Thousand Six Hundred and Sixty Four Cröre. Thirty Lakh Ninety Six Thousand One Hundred only) divided into 2,65,43,09,610 (Two Hundred and Sixty Five Crore Forty Three Lakh Nine Thousand Six Hundred and Ten) Equity Shares of Rs.10/- (Rupees Ten only) each and 10,00,000 (Ten Lakh) Redeemable Cumulative Preference Shares of Rs.100/- (Rupees One Hundred only) each with the rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being, with power to increase and reduce the capital of the Company and to divide the shares in the Capital for the time being into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company."

- (c) It shall be deemed that the members of the Transferee Company have also resolved and accorded all relevant consents under Section 13 of the New Act. It is clarified that upon approval of the Scheme by the High Court, the Transferee Company shall not be required to seek separate consent/ approval of its shareholders for the aforesaid alteration of the Memorandum of Association of the Transferee Company as required under Sections 13 and 61 of the New Act and other applicable provisions of the New Act and the Act.

PART D ACCOUNTING TREATMENT FOR THE AMALGAMATION IN THE BOOKS OF TRANSFEREE COMPANY

D-1. Upon the Scheme becoming effective, the Transferee Company shall account for the Amalgamation in its books as under:

- (a) The Transferee Company shall account for the Amalgamation of the Transferor Companies in its books of account with effect from the Appointed Date.
- (b) The Amalgamation of the Transferor Companies shall be accounted for in accordance with "Purchase Method" of accounting as per the Accounting Standard 14 "Accounting for Amalgamation" as prescribed in Companies (Accounting Standards) Rules, 2006 issued by the Ministry of Corporate Affairs, as may be amended from time to time read with General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the New Act.
- (c) Assets including intangible assets, if any, whether or not recorded in the books of each of the Transferor Companies and liabilities of each of the Transferor Companies shall be recorded in the books of account of the Transferee Company at their respective fair values and in the same form except to ensure uniformity of accounting policies.
- (d) Transferee Company shall record issuance of New Equity Shares at fair value and accordingly credit to its Share Capital Account the aggregate face value of the New Equity Shares issued on Amalgamation.
- (e) To the extent that there are inter-company loans, advances, investments, deposits or other obligations as amongst the Transferor Companies and the Transferee Company, the obligation in respect thereof will come to an end and corresponding effect shall be given in the books of account and records of each of the Transferor Companies as well as the Transferee Company for the reduction of any such assets or liabilities as the case may be and there would be no accrual of interest or any other charges in respect of such inter-company loans, advances, deposits or balances, with effect from the Appointed Date.
- (f) Excess, if any, of the consideration (viz., fair value of New

Equity Shares) as specified in clause C-23 above, over the fair values of net assets of the Transferor Companies (including identifiable intangible assets, if any, whether or not recorded in their books of accounts) taken over and recorded and after making adjustment for sub-clause (e) above will be recognized as Goodwill in accordance with Accounting Standard-14. In the event the result is negative, it shall be credited as Capital Reserve in the books of account of the Transferee Company.

- (g) Transferee Company shall record in its books of account, all transactions of each of the Transferor Companies in respect of assets, liabilities, income and expenses, from Appointed Date to the Effective Date.
- (h) Entire costs and expenses incurred in connection with the Scheme and to put it into operation and any other expenses or charges attributable to the implementation of the Scheme, shall be charged to Profit and Loss Account of the Transferee Company.
- (i) The intangible assets transferred (if any) on Amalgamation, as aforesaid, shall be amortized in the books of the Transferee Company over its useful life. Goodwill (if any) arising on Amalgamation, as aforesaid, shall be amortized to income systematically not exceeding 20 years, on a justifiable basis & as reviewed by the Board of Directors periodically.
- (j) Statutory reserves of the Transferor Companies shall be recorded in the financial statements of the Transferee Company. The corresponding debit should be given to 'Amalgamation Adjustment Account', which should be disclosed as a part of 'miscellaneous expenditure' or other similar category in the balance sheet. When the identity of the statutory reserves is no longer required to be maintained, both the reserves and the 'Amalgamation Adjustment Account' should be reversed.
- (k) The Board of Directors may adopt any other accounting treatment for the Amalgamation which is in accordance with Accounting Standards notified under the Act read with General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the New Act.

PART E -GENERAL TERMS & CONDITIONS APPLICABLE TO THE ENTIRE SCHEME

E-1. Conduct of Business as and from the Appointed Date till the Effective Date:

- (a) The Transferor Companies shall carry on and be deemed to carry on their respective business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of the entire Amalgamating Undertaking for and on account of, and in trust for the Transferee Company.
- (b) All obligations, liabilities, duties and commitments attached, related or pertaining to the Amalgamating Undertaking shall be undertaken and shall be deemed to have been undertaken by the each of the Transferor Companies for and on account of and in trust for the Transferee Company.
- (c) All profits and income accruing or arising to each of the Transferor Companies and losses and expenditure arising or incurred by each of the Transferor Companies (including taxes, if any, accruing or paid in relation to any profits or income) for the period commencing from the Appointed Date shall for all purposes be treated as the profits, income, losses or expenditure (including taxes) of the Transferee Company as the case may be.
- (d) Any of the rights, powers, authorities, privileges exercised by each of the Transferor Companies shall be deemed to have been exercised by such Transferor Companies for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by each of the Transferor Companies shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company.
- (e) All taxes, where applicable, (including but not limited to income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by or refunded or refundable to each of the Transferor Companies which pertains to Amalgamated Undertakings including all or any tax refunds or tax liabilities or tax claims arising from pending tax proceedings, under any law, on or before the Effective Date which pertains to Amalgamated Undertakings shall be treated as or deemed to be treated as the tax liability or tax refunds/

tax claims (whether or not recorded in the books of each of the Transferor Companies) as the case may be, of the Transferee Company, and any unabsorbed tax losses and depreciation, etc. which pertains to Amalgamated Undertakings, as would have been available to the Transferor Companies, on or before the Effective Date, shall be available to the Transferee Company upon the Scheme coming into effect.

- (f) Subject to the terms of the Scheme, the transfer and vesting of the Amalgamating Undertaking as per the provisions of the Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or with effect from the Appointed Date till the Effective Date.

E-2. Dividend:

- (a) During the pendency of the Scheme, the Transferor Companies and the Transferee Company shall be entitled to declare and pay dividends, whether interim and/or final, to their respective equity shareholders in respect of the accounting period prior to the Effective Date.
- (b) The holders of the equity shares of each of the Transferor Companies and the Transferee Company shall, save as expressly provided otherwise in this Scheme continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
- (c) It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of any of the Transferor Companies and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act or the New Act, as applicable, shall be entirely at the discretion of the respective Board of Directors of each of the Transferor Companies and the Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Companies and the Transferee Company, respectively.

E-3. Validity of Existing Resolutions etc.:

Upon the coming into effect of this Scheme, the resolutions passed by the respective Board of Directors and/or the Shareholders of each

of the Transferor Companies and which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have monetary limits or other limits approved under the provisions of the Act and the New Act, or any other applicable statutory provisions, the said limits as are considered necessary by the Board of Directors of the Transferee Company shall be added to the limits, if any, under like resolutions passed by the Board of Directors and/or the Shareholders of the Transferee Company and the aggregate of the said two limits shall constitute the revised limit for the Transferee Company, for the relevant purpose and or under the relevant provisions of the Act and the New Act.

E-4. Dissolution of each of the Transferor Companies:

Pursuant to the Scheme becoming effective and with effect from the Effective Date, each of the Transferor Companies shall stand dissolved without being wound up, without any further act, deed or instrument. On and from the Effective Date, the name of the Transferor Companies shall be removed from the records of the Registrar of Companies and records relating to each of the Transferor Companies shall be transferred and merged with the records of the Transferee Company.

E-5. Change of Name of the Transferee Company:

- (a) Consequent to the amalgamation and upon the Scheme being effective, the name of the Transferee Company shall be deemed to have been changed from "Family Credit Limited" to "L&T Finance Limited" in accordance with Section 13 of the New Act and other relevant provisions of the Act or the New Act, as applicable.
- (b) It shall be deemed that the members of the Transferee Company have also resolved and accorded all relevant consents under Section 13 of the New Act. It is clarified that there will be no need to pass a separate shareholders' resolution as required under Section 13 of the New Act for the amendment of the Memorandum of Association of the Transferee Company as above. Pursuant to this Scheme, the Transferee Company shall file the requisite forms with the Registrar of Companies for change of the name to the Transferee Company.

E-6. Application / Petitions to the High Court(s) and other Authorities:

- (a) The Transferor Companies and the Transferee Company shall with all reasonable dispatch, make and file all applications, petitions under Sections 391 and 394 of the Act and other applicable provisions of the Act or the New Act before the High Court(s) under whose jurisdiction their respective registered offices are situated, for sanctioning of this Scheme under the relevant provisions of law and shall apply for such approvals as may be required under law.
- (b) The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Appropriate Authority, if required, under any law for such consents and approvals which the Transferee Company may require to own and operate the Amalgamating Undertaking and to carry on the business of the Transferor Companies without any interruption.

E-7. Modification or Amendments to the Scheme:

Each of the Transferor Companies and the Transferee Company (through their respective Board of Directors), in their full and absolute discretion, jointly and as mutually agreed in writing, may:

- (a) assent from time to time on behalf of all persons concerned to any alteration(s) or modification(s) or amendment(s) or addition(s) to this Scheme which the Honorable High Court(s) and/or any other Governmental authority may deem fit to approve or impose, and/or effect any other modification or amendment jointly and mutually agreed in writing, including, without limitation, any modifications to the accounting treatment set out in the Scheme due to the Indian Accounting Standards being made applicable to them or to the matters set forth in this Scheme, and to do all acts, deeds and things as may be necessary, desirable or expedient for the purposes of this Scheme;
- (b) give such directions (acting jointly) as they may consider necessary to settle any question or difficulty arising under the 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 of this Scheme and if necessary, to waive any of those (to the extent permissible under law) for bringing this Scheme into effect;

- (c) modify or vary the respective parts of the Scheme prior to the Effective Date, as the case may be, in any manner at any time;
- (d) determine jointly whether any asset, liability, employee, legal or other proceedings pertains to the Transferor Companies or not, on the basis of any evidence that they may deem relevant for this purpose.

E-8. Withdrawal of the Scheme:

The Transferor Companies or the Transferee Company acting through their respective Board of Directors shall each be at liberty to withdraw this Scheme in case any condition or alteration imposed by the High Court(s) or any authority/person or otherwise is unacceptable to any of them.

E-9. Scheme conditional on approval/sanctions:

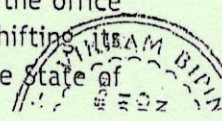
This Scheme is conditional upon and subject to:

- (a) the Scheme being sanctioned by the High Court(s) in terms of Section 391 to 394 and other relevant provisions of the Act or the New Act;
- (b) such other sanctions and approvals, including sanctions of any Governmental Authority, creditor, lessor, or contracting party as may be required by law or contract in respect of the Scheme, being obtained; and
- (c) The certified copy/copies of the order/s referred to in this Scheme being filed with the respective Registrar of Companies, as applicable.

E-10. The Boards of Directors of each of the Transferor Companies and the Transferee Company shall, upon the conditions being satisfied, or upon waiver of any condition that is capable of being waived, declare the Scheme as having come into effect.

E-11. Change of Registered office of the Transferee Company

- a) The Transferee Company has filed an application with the office of the Registrar of Companies, West Bengal for shifting registered office from the State of West Bengal to the State of



Maharashtra at L&T House, N.M. Marg, Ballard Estate, Mumbai - 400 001. For the purpose of this Scheme, the application/petitions pursuant to the provisions of Sections 391 to 394 of the Act and other provisions of the Act or the New Act, as applicable shall be made by or on behalf of Transferee Company, to the High Court then having jurisdiction, where the registered office of Transferee Company will be situated. In the event, such application for shifting of the Registered office of the Transferee Company is completed during the pendency of such application/petitions filed before the Calcutta High Court, the Transferee Company shall seek to withdraw such application/petition with liberty to present the pleadings before the Bombay High Court as the Calcutta High Court would no longer have jurisdiction to entertain such application/petition.

E-12. When the Scheme comes into operation:

- (a) The Scheme shall come into operation from the Appointed Date and shall become effective on and from the Effective Date, in terms of the Scheme.
- (b) The Transferee Company shall carry on and shall be authorized to carry on, with effect from the Effective Date, the businesses of the Transferor Companies. For the purposes of giving effect to the order of the High Court(s) under Section(s) 391 to 394 and other applicable provisions of the Act or relevant provision of New Act as applicable, sanctioning the Scheme, the Transferee Company shall at any time pursuant to such orders be entitled to get the recordal of change in the legal right(s) upon the Amalgamation of the Transferor Companies in accordance with the provisions of the Sections 391 to 394 of the Act or the relevant provisions of the New Act, as applicable. The Transferor Companies are and shall always be deemed to have been authorized to execute any pleadings, applications, forms etc. as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of the Scheme.
- (c) The Transferee Company shall be entitled to, amongst others, file/ or revise its income tax returns, TDS/TCS returns, wealth tax returns, service tax, excise duty, sales tax, value added tax, entry tax, cess, professional tax or any other statutory returns, if required, credit for advance tax paid, tax deducted at source, claim for sum prescribed under Section 43B of the Income Tax Act, 1961 on payment basis, claim for deduction of provisions written back by the Transferee Company previously

disallowed in the hands of the Transferor Companies under the Income Tax Act, 1961, credit of tax under Section 115JB read with Section 115JAA of the Income Tax Act, 1961, credit of foreign taxes paid/ withheld etc., if any, pertaining to the Transferor Companies as may be required consequent to implementation of this Scheme and where necessary to give effect to this Scheme, even if the prescribed time limits for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum. The Transferee Company shall have the right to claim refunds, tax credits, set-offs and/or adjustments relating to its income or transactions entered into by it by virtue of this Scheme with effect from Appointed Date. The taxes or duties paid by, for, or on behalf of each of the Transferor Companies relating to the period on or after Appointed Date shall be deemed to be the taxes or duties paid by the Transferee Company and the Transferee Company shall be entitled to claim credit or refund for such taxes or duties.

- (d) Any advance tax, self-assessment tax, minimum alternate tax and/or TDS credit available or vested with the Transferor Companies, including any taxes paid and taxes deducted at source and deposited by the Transferor Companies on inter se transactions during the period between Appointed Date and the Effective Date shall be treated as tax paid by the Transferee Company and shall be available to the Transferee Company for set-off against its liability under the Income Tax Act, 1961 and any excess tax so paid shall be eligible for refund together with interest. Further, TDS deposited, TDS certificates issued or TDS returns filed by the Transferor Companies on transactions other than inter se transactions during the period between Appointed Date and the Effective Date, shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued and TDS returns were filed by the Transferee Company. Any TDS deducted by, or on behalf of, the Transferor Companies on inter se transactions will be treated as tax deposited by the Transferee Company.
- (e) Transfer and vesting of the Amalgamating Undertaking of the Transferor Companies in terms of Part C of the Scheme is not a transaction in connection with commencement or closure of business and is not a sale in the ordinary course of business or otherwise.

~~PART F - OTHER TERMS & CONDITIONS~~

- F-1. In the event of any of the said sanctions and approvals not being obtained or waived and/or the Scheme not being sanctioned by the High Court(s), the Scheme shall become null and void, and each party shall bear its respective costs, charges and expenses in connection with the Scheme of Amalgamation.
- F-2.
- (a) In the event of this Scheme failing to take effect finally, including without limitation, due to any of the said sanctions and approvals referred to in Clause E-9 above not being obtained and/or complied with and /or satisfied and/or waived and/or this Scheme not being sanctioned by the High Court(s) and/or order or orders not being passed as aforesaid, before March, 2018, or such other date as may be mutually agreed upon by the respective Board of Directors of each of the Transferor Companies and the Transferee Company who are hereby empowered and authorized to agree to and extend the aforesaid period from time to time in exercise of their powers, this Scheme shall stand revoked/ cancelled and be of no effect and become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or the shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law.
- Further, the Boards of Directors of each of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme to be of no effect if such Boards of Directors are of the view that the coming into effect of the Scheme in terms of the provisions of this Scheme or filing of the drawn up orders with any authority could have adverse implication on the Transferor Companies and/or the Transferee Company.
- F-3. In the event of non-fulfillment of any or all of the obligations under this Scheme by any party towards any other party inter-se or to third parties and non-performance of which will place the other party under any obligation, then such defaulting party will indemnify all costs and interest to such other affected party.
- F-4. Severability

If any part or provision of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Companies and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme. The Transferor Companies (through their respective Board of Directors) and the Transferee Company (by its Board of Directors), may, in their full and absolute discretion, modify, vary or withdraw this Scheme prior to the Effective Date in any manner at any time.

F-5. Costs, Charges and Expenses

All costs, charges, levies and expenses including but not limited to any taxes and duties, stamp duty, registration charges, etc. of the Transferor Companies and Transferee Company respectively in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Companies in pursuance of this Scheme shall be borne and paid solely by the Transferee Company.

NATIONAL COMPANY LAW
TRIBUNAL MUMBAI BENCH,
TRANSFER COMPANY SCHEME
PETITION NO. 283 OF 2017
CONNECTED WITH
HIGH COURT COMPANY
SUMMONS FOR DIRECTION NO.
766 OF 2016

In the matter of the
Companies Act, 1 of 1956
& etc.;

In the matter of L&T Finance Limited

And

In the matter of Scheme of
Amalgamation of L&T Finance
Limited and L&T FinCorp Limited

With
Family Credit Limited

L&T Finance Limited
...Petitioner Company

**Authenticated Copy of Minutes
of Order dated 24th January 2017
along with copy of Scheme
annexed to the Transfer Company
Scheme Petition**

M/s. Manilal Kher Ambalal & Co.
Advocates for the Petitioner Company