

SCHEME OF ARRANGEMENT

BETWEEN

ANGEL ONE LIMITED ... **Transferor Company**

AND

ANGEL SECURITIES LIMITED ... **Transferee Company 1**

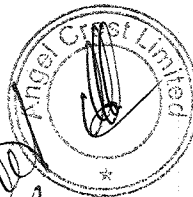
AND

ANGEL CREST LIMITED ... **Transferee Company 2**

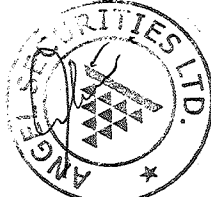
AND

THEIR RESPECTIVE SHAREHOLDERS

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

Bareilly






1. PREAMBLE

This Scheme of Arrangement ('the Scheme') is presented under sections 230 to 232 and other applicable provisions of Companies Act, 2013 ("the Act") as may be applicable, and for the transfer and vesting of Business Undertakings (as defined hereinafter) as going concern on slump sale basis (as defined under section 2(42C) of the Income-tax Act, 1961) of the Transferor Company to the Transferee Company 1 and Transferee Company 2. The Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

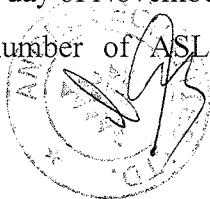
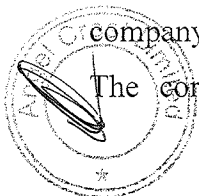
2. BACKGROUND OF THE COMPANIES

Angel One Limited ('AOL' or '**Transferor Company**') is a public listed company and flagship company of the group incorporated on the 8th day of August, 1996 under the Companies Act, 1956. The Corporate Identification Number of AOL is L67120MH1996PLC101709. Transferor Company has a rich experience of more than 25 years of providing broking services across equities, commodities and currency derivative segments, margin trading facility, research analyst and investment advisory services, depository services, and distribution of third-party financial products, through its digitally advanced mobile application, tablet and web platforms, to its clients (acquired directly or through its network of APs/ Affiliates). The Transferor Company has, over these years, built a very strong brand within the broking and financial services industry for being a technologically advanced fintech business with a strong governance and management team. The Transferor Company has more than 15 million clients registered on its platform along-with a large network of APs/ Affiliates. The Transferor Company is a SEBI registered stock-broker, Research Analyst and Investment Advisor along with being a member of National Stock Exchange of India Limited (NSE), BSE Limited (BSE), National Commodities and Derivatives Exchange Limited (NCDEX), Multi Commodity Exchange of India Limited (MCX), Metropolitan Stock Exchange of India Limited (MSEIL) and a depository participant with Central Depository Services (India) Limited (CDSL). The Transferor Company is also registered with Association of Mutual Funds in India (AMFI) as a mutual fund distributor.

The registered office of the Transferor Company is situated at 601, 6th Floor, Ackruti Star, Central Road, MIDC, Andheri East, Mumbai - 400093. The equity shares of the Transferor Company are listed on BSE and NSE.

Angel Securities Limited ('ASL' or '**Transferee Company 1**'), is a public limited company incorporated on the 2nd day of November, 1993 under the Companies Act, 1956.

The corporate identification number of ASL is U67120MH1993PLC074847. The



Transferee Company 1 is a wholly owned subsidiary of the Transferor Company. Currently, the Transferee Company 1 is a SEBI registered stock-broker, Research Analyst and Investment Advisor along with being a member of National Stock Exchange of India Limited (NSE), BSE Limited (BSE), National Commodities and Derivatives Exchange Limited (NCDEX), Multi Commodity Exchange of India Limited (MCX), Metropolitan Stock Exchange of India Limited (MSEIL) and a depository participant with Central Depository Services (India) Limited (CDSL). the Transferee Company 1 is also registered with Association of Mutual Funds in India (AMFI) as a mutual fund distributor. The registered office of the Transferee Company 1 is situated at 601, 6th Floor, Ackruti Star, Central Road, MIDC, Andheri East, Mumbai - 400093.

Angel Crest Limited ('ACL' or '**Transferee Company 2**'), is a public limited company incorporated on the 26th day of April, 2023 under the Companies Act, 2013. The corporate identification number of ACL is U66120MH2023PLC401699. The Transferee Company 2 is a wholly owned subsidiary of the Transferor Company. The registered office of the Transferee Company 2 is situated at 601, 6th Floor, Ackruti Star, Central Road, MIDC, Andheri East, Mumbai - 400093.

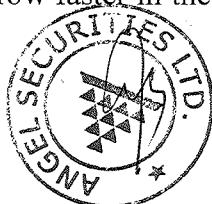
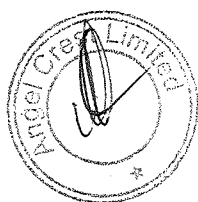
3. **RATIONALE FOR THE SCHEME**

Over the course of time, Angel One Group has grown into a diversified fintech business, which consists of multiple offerings across equity, commodity and currency derivative broking, margin trading facility, depository services, distribution of mutual funds, bonds and insurance products, along with research analyst and investment advisory services. The Group, through its flagship company, Angel One Limited, recently received an in-principle approval from the Securities and Exchange Board of India (SEBI) to act as a sponsor and to set up a mutual fund.

The strategic businesses, which are core focus areas for the Group include:

- (1) Broking across equity, commodity and currency derivative segments, margin trading facility, depository services;
- (2) Distribution of third party manufactured financial products viz: Mutual Funds, Insurance (Life and General), primary market securities, Loan Products, Bonds, Credit Cards etc;
- (3) Develop and launch various Mutual fund schemes through its proposed AMC.

Each of these strategic businesses has and will continue to acquire critical mass, requiring flexibility and independence to grow faster in the ever-evolving digital, technology and



innovation-driven environment. Each of the aforesaid Strategic businesses may have differentiated strategies and amongst other things, operate under different market dynamics and growth trajectory. The nature and competition involved in each business is distinct from others.

Angel One Group has an extensive client base, which has been acquired and nurtured through two distinct channels: (i) a resilient network of APs/ Affiliates and (ii) direct acquisition of clients facilitated by its digital marketing and sales efforts, organic sourcing, client referrals and through Digital Referral Associates (DRAs), through its cutting-edge digital platforms. Each of the aforesaid channels have different dynamics and growth trajectory with distinct areas of focus. Considering the diversity and the substantial client base of each of these business channels, it is now being felt that the two channels should be managed under separate entities, to enable them to grow further and become leading players under the respective customer segments, thus enabling the focused offerings for their respective client base. Angel One Limited already employs a sophisticated approach to discern and track the acquisition, engagement and progression of clients under each of the aforesaid channels enabling a thorough understanding of their respective growth trajectories.

In order to further enhance operational efficiency and optimize the management bandwidth across strategic businesses within the Angel One Group, a decision has been made to streamline the business under each of these two channels into two separate legal entities. This will enable the provision of dedicated management and resources for each specific channel. The primary objective is to foster growth and establish increased and focused control over the businesses acquired from each channel. To achieve this, the Transferor Company has proposed to transfer its business driven by clients acquired through its network through APs/ Affiliates along-with those Affiliates, to Transferee Company 1 and its business driven by clients acquired directly to Transferee Company 2.

The transfer of Business Undertakings to its two wholly owned subsidiaries ('WOSs') represents a strategic step by the Angel One Group towards achieving a more focused and efficient organizational structure. This reorganization will enable the group to capitalize on specific market opportunities across both channels while preserving the value within the Group.

The Transferor Company has developed a Super App through which it provides a complete suite of financial services to its clients across all channels. The Super App has capability to evaluate and offer insightful analysis through its robust and seamless artificial intelligence and data analytics capabilities, significantly enhancing customer experience across the board. The Super App is evolving into a comprehensive platform



for all financial services being offered to the clients. The Transferor Company intends to continue housing the Super App in the flagship company.

As a holding company, the Transferor Company intends to serve as a flagship company for all its subsidiaries and promote business excellence within the group by providing best-in-class services such as research analyst and investment advisory, tech-infrastructure and development, product development, facility management, lead generation for clients and AP, call center and contact center operations, data analytics and strategic analysis, governance and business support services. Additionally, the Transferor Company is committed to enhancing its brand equity and promoting the business of the two business undertakings by leveraging its reputation of trust and reliability.

The transfer of the Business Undertakings to the WOSs will enable the management of the respective businesses to concentrate their resources and managerial bandwidth entirely on the specific client profiles, resulting in operational efficiencies, better overall synergies and most importantly a much better curated experience for the client base, leading to cost efficiencies and significant scalability, focused strategies, better coordination and cohesiveness in their working and standardized business processes. The proposed restructuring pursuant to the said Scheme is expected, inter alia, to result in the following benefits:

- a) Enhance competence and to make it future ready for exploring other product offerings within the financial service domain and strengthen focused growth;
- b) Establish targeted workforce and management for achieving the higher growth and expansion across each undertaking;
- c) Promote exclusive goal-driven-culture for respective undertakings and build result focused teams;
- d) Enhance investors and stakeholders' benefits with thorough visibility into the performance, prospects, and strategies across both the undertakings.

4. PARTS OF THE SCHEME:

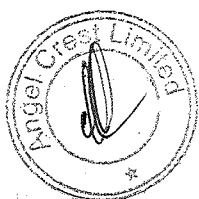
The Scheme is divided into following parts:

Part I: Deals with definitions and share capital;

Part II: Deals with the transfer of the Business Undertaking 1 of Transferor Company to the Transferee Company 1;

Part III: Deals with the transfer of the Business Undertaking 2 of Transferor Company to the Transferee Company 2;

Part IV: Deals with the general clauses, terms and conditions



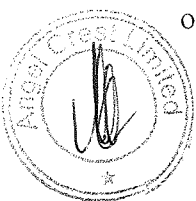
This Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

PART I – DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 1.1 **“Act” or “the Act”** means the Companies Act, 2013 and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force;
- 1.2 **“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, issued by the Ministry of Corporate Affairs and the other accounting principles generally accepted in India;
- 1.3 **“Angel One Group”** means the Transferor Company and any other company which is a subsidiary company of the Transferor Company including Transferee Company 1 and Transferee Company 2;
- 1.4 **“Authorised Person (AP)/ Affiliate”** means any person, individual, partnership firm, LLP or body corporate, who is appointed as such by a Stock Broker and who provides access to trading platform of a Stock Exchange as an agent of the stock broker;
- 1.5 **“Applicable Law”** means any applicable central, provincial, local or other law including all applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, tribunal having jurisdiction over the Parties; (b) Permits; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties and shall include, without limitation, the listing agreement executed with the Stock Exchanges;
- 1.6 **“Appointed Date”** shall mean the Effective Date;
- 1.7 **“Appropriate Authority” shall mean:**
 - a) The government of any jurisdiction (including any central, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof;



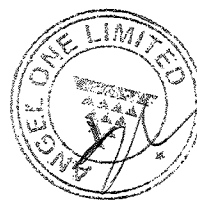
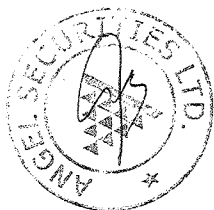
- b) Any public international organisation or supranational body and its institutions, departments, agencies and instrumentalities;
- c) Any governmental, quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi-governmental authority including (without limitation), SEBI (as defined hereinafter) the Tribunal (as defined hereinafter); and
- d) Any Stock or Commodity Exchange, Depository and Clearing Corporations;

1.8 **“Board of Directors”** in relation to the Transferor Company, the Transferee Company 1 and the Transferee Company 2 as the case may be, shall, unless it is repugnant to the context or otherwise, include a committee of directors authorized for the matters pertaining to this Scheme or any other matter relating hereto, or any person authorized by the Board of directors or such committee of directors;

1.9 **“Brand and Intellectual Property Rights”** shall mean all the formats, designs, logos including shape and colour, taglines, labels, copyrights, patents, trademarks, rights, licenses, contents, softwares, service marks, trade names, domain names including attached goodwill, title, interest and other distinctive brand features and all such other industrial or intellectual rights of whatsoever nature;

1.10 **“Business Undertaking 1”** means (i) all the contracts with registered APs/ Affiliates; (ii) client business acquired or conducted through the registered APs/ Affiliates including the broking business, clearing services, portfolio management services, primary market securities and bonds; depository participant business and ancillary and support services in relation thereto of the Transferor Company together with all the assets, properties, investments, contracts and liabilities of whatsoever nature and kind, and wheresoever situated, of the Transferor Company, in relation to and pertaining to this Business Undertaking 1 other than those related to Business Undertaking 2 and shall include (without limitation):

- a) All the movable and immovable properties, tangible or intangible, including all registrations and memberships of the Transferor Company with BSE, NSE, MCX, NCDEX, MSEIL, Depository Participant License, Research Analyst License, Investment Advisory License, Portfolio Manager Certificate and other licenses in relation to the Business Undertaking 1, including any and all memberships and registrations of the Transferor Company (notwithstanding whether such memberships and registrations may or may not be exclusive to the Business Undertaking 1), including all contracts, agreements, purchase orders/ service orders, agreement with customers, agreement with APs/ Affiliates, purchase and other agreements with the supplier/ service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims and clearances and other instruments of whatsoever



nature and description including all client registration forms/ KYC (know your customer) records/ POA (power of attorney)/ demat debit and pledge instructions issued by clients, client records, authorisations, client details, whether written, oral or otherwise including call records, electronic records, any data and all rights, title, interests, claims and benefits pertaining to Business Undertaking 1;

- b) All computers and accessories, software, applications and related data, furniture, fixtures, vehicles, stocks and inventory, leasehold assets and other properties, real, corporeal and incorporeal, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, cash in hand, amounts lying in the banks, investments, escrow accounts, claims, powers, authorities, allotments, approvals, consents, letters of intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, advantages, freehold/ leasehold rights, brands, sub-letting tenancy rights, leave and license permissions, other intangibles, licenses, approvals, permits, authorisations, trademarks, trade names, patents, patent rights, copyrights, and other intellectual properties and rights of any nature whatsoever including know-how, websites, portals, domain names, or any applications for the above, assignments and grants in respect thereof, right to use and avail of telephones, telex, facsimile, email, internet, leased lines and other communication facilities, connections, installations and equipment, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds, and benefits (including all work-in progress), of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, semi-government, local authorities or any other Person including customers, contractors or other counter parties, etc., all earnest monies and/ or deposits, privileges, liberties, easements, advantages, benefits, exemptions, licenses, privileges and approvals of whatsoever nature and wheresoever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Transferor Company in relation to and pertaining to the Business Undertaking 1;
- c) All receivables, loans and advances, including accrued interest thereon, all advance payments, earnest monies and/ or security deposits, payment against warrants, if any, or other entitlements of the Transferor Company in relation to and pertaining to the Business Undertaking 1 including but not limited to fixed deposits under lien with stock exchange, fixed deposits for bank guarantees or otherwise, fixed deposits with government authorities, fixed deposits lien with banks, interest accrued on fixed deposits, trade receivables (secured and unsecured), margin trading facility, customer securities pledge, security deposits (Stock Exchanges/ Clearing Corporations and others), long term deposits against arbitrations, other receivables, prepaid expenses, advances to vendor, balance with government authorities;

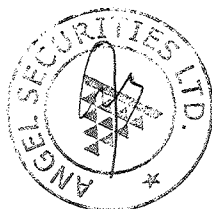
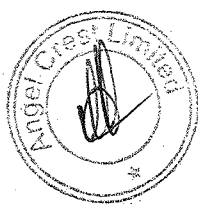


- d) All the debts, liabilities, duties and obligations including of the Transferor Company in relation to and pertaining to the Business Undertaking 1 including but not limited to trade payable, commercial papers, loans repayable on demand, overdraft facilities, loans from banks and financial institutions, working capital demand loans, payables to sub-brokers;
- e) All intellectual property rights, including domain name, trademark, mobile application and source code of mobile application program, logo and copyrights of Transferor Company pertaining to Business Undertaking 1;
- f) All permanent employees employed by Transferor Company pertaining to the Business Undertaking 1;
- g) All books, records, files, papers of standard operating procedures, computer programs along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form, in connection with or pertaining to the Business Undertaking 1;
- h) All earnest monies, deposits including security deposits, or other entitlements, if any, in connection with or relating to Transferor Company pertaining to Business Undertaking 1;

It is clarified that the Remaining Business would not be regarded as a part of the Business Undertaking 1 and the same would continue to be retained with the Transferor Company.

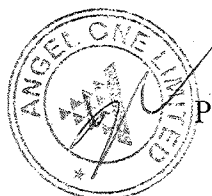
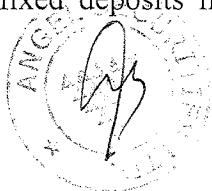
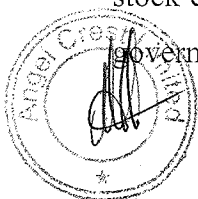
1.11 **“Business Undertaking 2”** means (i) all the contracts with Digital Referral Agents (DRAs); (ii) all the client relationships and business acquired directly with the help of diversified digital platforms such as performance marketing, referrals, DRAs including the broking business, clearing services, portfolio management services, primary market securities and bonds, depository participant business and ancillary and support services in relation thereto of the Transferor Company together with all the assets, properties, investments, contracts and liabilities of whatsoever nature and kind, and wheresoever situated, of the Transferor Company, in relation to and pertaining to the Business Undertaking 2 other than those related to Business Undertaking 1 and shall include (without limitation):

- a) All the movable and immovable properties, tangible or intangible, including all registrations and memberships of the Transferor Company with BSE, NSE, MCX, NCDEX, MSEIL, Depository Participant License, Research Analyst License, Investment Advisory License, Portfolio Manager Certificate and other licenses in relation to the Business Undertaking 2, including any and all memberships and registrations of the Transferor Company (notwithstanding whether such memberships and registrations may or may not be exclusive to the Business Undertaking 2),



including all contracts, agreements, purchase orders/ service orders, agreement with customers, agreement with DRAs, purchase and other agreements with the supplier/ service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims and clearances and other instruments of whatsoever nature and description including all client registration forms/ KYC (know your customer) records/ POA (power of attorney) / demat debit and pledge instructions issued by clients, client records, authorisations, client details, whether written, oral or otherwise including call records, electronic records, any data and all rights, title, interests, claims and benefits pertaining to Business Undertaking 2;

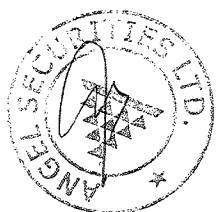
- b) All computers and accessories, software, applications and related data, furniture, fixtures, vehicles, stocks and inventory, leasehold assets and other properties, real, corporeal and incorporeal, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, cash in hand, amounts lying in the banks, investments, escrow accounts, claims, powers, authorities, allotments, approvals, consents, letters of intent, registrations, contracts, engagements, arrangements, rights, credits, titles, interests, benefits, advantages, freehold/ leasehold rights, brands, sub-letting tenancy rights, leave and license permissions, other intangibles, licenses, approvals, permits, authorisations, trademarks, trade names, patents, patent rights, copyrights, and other intellectual properties and rights of any nature whatsoever including know-how, websites, portals, domain names, or any applications for the above, assignments and grants in respect thereof, right to use and avail of telephones, telex, facsimile, email, internet, leased lines and other communication facilities, connections, installations and equipment, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds, and benefits (including all work-in progress), of all agreements, arrangements, deposits, advances, recoverable and receivables, whether from government, semi-government, local authorities or any other Person including customers, contractors or other counter parties, etc., all earnest monies and/ or deposits, privileges, liberties, easements, advantages, benefits, exemptions, licenses, privileges and approvals of whatsoever nature and wheresoever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by the Transferor Company in relation to and pertaining to the Business Undertaking 2;
- c) All receivables, loans and advances, including accrued interest thereon, all advance payments, earnest monies and/ or security deposits, payment against warrants, if any, or other entitlements of the Transferor Company in relation to and pertaining to the Business Undertaking 2 including but not limited to fixed deposits under lien with stock exchange, fixed deposits for bank guarantees or otherwise fixed deposits with government authorities, fixed deposits lien with banks, interest accrued on fixed



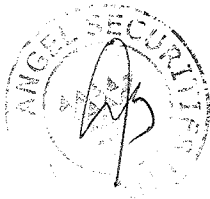
- deposits, trade receivables (secured and unsecured), margin trading facility, customer securities pledge, security deposits (Stock Exchanges/ Clearing Corporations and others), long term deposits against arbitrations, other receivables, prepaid expenses, advances to vendor, balance with government authorities;
- d) All the debts, liabilities, duties and obligations including of the Transferor Company in relation to and pertaining to the Business Undertaking 2 including but not limited to trade payable, commercial papers, loans repayable on demand, overdraft facilities, loans from banks and financial institutions, working capital demand loans, payables to sub-brokers;
 - e) All intellectual property rights, including domain name, trademark, mobile application and source code of mobile application program, logo and copyrights of Transferor Company pertaining to Business Undertaking 2;
 - f) All permanent employees employed by Transferor Company pertaining to the Business Undertaking 2;
 - g) All books, records, files, papers of standard operating procedures, computer programs along with their licenses, drawings, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form, in connection with or pertaining to the Business Undertaking 2;
 - h) All earnest monies, deposits including security deposits, or other entitlements, if any, in connection with or relating to Transferor Company pertaining to Business Undertaking 2.

It is clarified that the Remaining Business would not be regarded as a part of the Business Undertaking 2 and the same would continue to be retained with the Transferor Company.

- 1.12 **“Business Undertakings”** shall mean Business Undertaking 1 and Business Undertaking 2 as defined under the foregoing clauses;
- 1.13 **“CCPS”** shall mean the Compulsorily Convertible Preference Shares having face value of INR 10 each in the Transferee Company 1 and Transferee Company 2, each compulsorily convertible into 1 equity shares having face value of INR 10 each of the Transferee Company 1 and Transferee Company 2;
- 1.14 **“Competent Authority”** means the National Company Law Tribunal (“NCLT”) at Mumbai or the National Company Law Appellate Tribunal (“NCLAT”) as constituted and authorized as per the provisions of the Act for approving any scheme of arrangement, compromise or reconstruction of companies under the relevant provisions of the Act;



- 1.15 **“Effective Date”** means the last of the dates on which all the conditions and matters referred to in Clause 25 occur or have been fulfilled or waived in accordance with this Scheme/Applicable Law. References in this Scheme to ‘date of coming into effect of the Scheme’ or ‘effectiveness of the Scheme’ shall mean the Effective Date;
- 1.16 **“Encumbrance”** means (i) any charge, lien (statutory or other), or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any person; (ii) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, selling, assigning, pledging, hypothecating, or creating a security interest in, place in trust (voting or otherwise), receipt of income or exercise; or (iii) any equity, assignments hypothecation, title retention, restriction, power of sale or other type of preferential arrangements; or (iv) any agreement to create any of the above; the term “Encumber” shall be construed accordingly;
- 1.17 **“ESOP 2018”** means the Employee Stock Option Plan 2018 of the Transferor Company;
- 1.18 **“Governmental Authority”** means any supra-national, national, state, provincial, local or similar governmental, statutory, regulatory, administrative authority, agency, commission, legislative body, departmental or public body or authority, board, branch, tribunal or court or other entity authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law, or any non-governmental regulatory or administrative authority, body or 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, or any stock exchange of India or any other country including the Registrar of Companies, Regional Director, Competition Commission of India, Reserve Bank of India, Securities and Exchange Board of India, Stock Exchanges, National Company Law Tribunal, and such other sectoral regulators or authorities as may be applicable;
- 1.19 **“Implementation Period”** means the period intervening the date of approval of the Board to this Scheme and the Effective Date;
- 1.20 **“IT Act”** shall mean the Income-tax Act, 1961 and also includes Income Tax Rules, 1962 or any modifications or reenactments or amendments or circular or notification issued thereof from time to time by relevant authorities;
- 1.21 **“Listed CPs”** shall mean the Commercial Papers issued by Transferor Company which are listed on the Stock Exchanges;
- 1.22 **“LTI Plan 2021”** shall mean Long Term Incentive Plan 2021 of the Transferor Company;
- 1.23 **“Purchase Consideration 1”** for the Business Undertaking 1 means INR 590 crores subject to working capital adjustments as on appointed date;



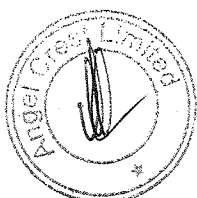
- 1.24 **“Purchase Consideration 2”** for the Business Undertaking 2 means INR 1,310 crores subject to working capital adjustments as on appointed date;
- 1.25 **“Parties”** shall mean collectively the Transferor Company, the Transferee Company 1 and the Transferee Company 2 and **“Party”** shall mean each of them, individually;
- 1.26 **“Person”** means an individual, (resident or non- resident), HUF, a partnership, a corporation, a limited liability partnership, a limited liability company, an association of person, a joint stock company, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;
- 1.27 **“Remaining Business”** means all the business, units, divisions, undertakings and assets and liabilities of the Transferor Company other than those forming part of the Business Undertakings.

It is clarified that the following would not be regarded as a part of the Business Undertakings and the same would continue to be retained with the Transferor Company

- i. AI enabled application, commercially termed as Super App (including intellectual properties, domain name, logo, source codes, vendor agreements related to digital assets, software, hardware) operational across multiple operating systems (iOS, Android, Web), for providing multiple services including trading & investing in stocks & indices, margin trading facility; management of demat accounts, distribution of mutual funds, Bonds, management of clients’ funds, including providing post trade services , ledgers, statements, contract notes, to cater the needs of its customers;
- ii. The Brand and Intellectual Property Rights;
- iii. All owned and leased real-estate across various locations, furniture & fixtures, technology infrastructure and equipments, vehicles, right to use of other assets, software licenses etc;
- iv. Distribution of Mutual Fund (MF) products;
- v. Research Analyst;
- vi. Investment Advisory;
- vii. In principal approval for sponsoring a mutual fund (SEBI/HO/IMD/IMD-RAC-1/P/OW/2023/5489/1)

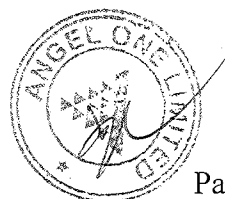
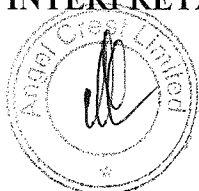
The question of whether a specified asset or liability pertains to the Business Undertaking or arises out of the activities or operations of Business Undertaking shall be decided by the Board of the Transferor Company.

- 1.28 **“Registrar of Companies” or “RoC”** means the Registrar of Companies at Mumbai, Maharashtra;
- 1.29 **“Transferee Company 1” or “ASL”** shall for the purposes of this Scheme means Angel Securities Limited;



- 1.30 **“Transferee Company 2” or “ACL”** shall for the purposes of this Scheme means Angel Crest Limited;
- 1.31 **“Transferor Company” or “AOL”** shall for the purposes of this Scheme means Angel One Limited;
- 1.32 **“Tribunal”** shall mean the Mumbai Bench of the National Company Law Tribunal having jurisdiction over the Transferor Company, the Transferee Company 1 and the Transferee Company 2, as the case may be;
- 1.33 **“SEBI”** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- 1.34 **“SEBI Circular”** means the circular issued by the SEBI, being SEBI Master Circular No. SEBI/HO/CFD/DILI/CIR/P/2021/0000000665 dated November 23, 2021, and any amendments thereof, modifications issued pursuant to regulations 11, 37 and 94 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015;
- 1.35 **“SEBI LODR Regulations”** means SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, and any amendments thereof;
- 1.36 **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Arrangement in its present form as submitted to the Competent Authority or this Scheme with such modification(s), if any made, as per Clause 24 of the Scheme;
- 1.37 **“Stock Exchanges”** means the BSE Limited and the National Stock Exchange of India Limited, MCDEX, MCX, MSEIL individually and collectively Stock Exchanges;
- 1.38 **“Taxation” or “Tax” or “Taxes”** means all forms of taxes (direct or indirect) and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies and whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction / collection at source, advance tax, minimum alternate tax or otherwise or attributable directly or primarily to the Transferor Company, the Transferee Company 1, the Transferee Company 2 and includes but not limited to all penalties, charges, costs and interest relating thereto;
- 1.39 **“Transferring Litigation”** **“Transferring Litigation”** shall mean ordinary course litigations, claims or proceedings whether civil, criminal, arbitration proceedings, any other proceedings or claims made by or against the Transferor Company and which is directly relatable to the Business Undertakings excluding those relating to ex-employees of the Transferor Company.

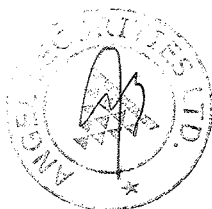
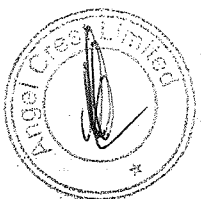
2. INTERPRETATION



- 2.1 All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other Applicable Law, rules, regulations, bye-laws thereunder, as the case may be or any statutory modification or re-enactment thereof for the time being in force.
- 2.2 References to clauses, recitals and schedules, unless otherwise provided, are to clauses, recitals and schedules of and to this Scheme.
- 2.3 The headings herein shall not affect the construction of this Scheme.
- 2.4 Unless the context otherwise requires, reference to any law or to any provision thereof shall include references to (i) any such law or to any provision thereof as it may, after the date hereof, from time to time, be amended, supplemented or re-enacted; (ii) any law or any provision which replaces it, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision; (iii) all subordinate legislation made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated); and (iv) all statutory instruments or orders made pursuant to a statutory provision.
- 2.5 The singular shall include the plural and vice versa; and references to one gender include all genders.
- 2.6 Reference to days, months and years are to calendar days, calendar months and calendar years respectively.
- 2.7 Any reference to 'writing' shall include printing, typing, lithography and other means of reproducing words in visible form.
- 2.8 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 2.9 References to a person include any individual, firm, body corporate (whether or not incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives' body (whether or not having separate legal personality).

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 the Competent Authority or made as per Clause 24 of the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.



4. SHARE CAPITAL

4.1 The share capital of the Transferor Company as at 31st March 2023 is as under:

Particulars	Amount in Rupees
Authorised Capital	
10,00,00,000 Equity Shares of Rs. 10/- each	1,00,00,00,000
Total	1,00,00,00,000
Issued, Subscribed and Paid-up	
8,34,19,741 Equity Shares of Rs. 10/- each	83,41,97,410
Total	83,41,97,410

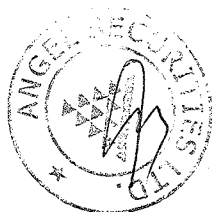
The revised share capital of the Transferor Company as on the date of board resolution approving the Scheme is as under;

Particulars	Amount in Rupees
Authorised Capital	
10,00,00,000 Equity Shares of Rs. 10/- each	1,00,00,00,000
Total	1,00,00,00,000
Issued, Subscribed and Paid-up	
8,38,58,307 Equity Shares of Rs. 10/- each	83,85,83,070
Total	83,85,83,070

4.2 The share capital of the Transferee Company 1 as at 31st March 2023 is as under:

Particulars	Amount in Rupees
Authorised Capital	
5,00,00,000 Equity Shares of Rs. 10/- each	50,00,00,000
Total	50,00,00,000
Issued, Subscribed and Paid-up	
55,00,300 Equity Shares of Rs. 10/- each	5,50,03,000
Total	5,50,03,000

Further, there has been no change in the share capital of the Transferee Company 1 from 31st March 2023 till the date of board resolution approving the Scheme.



- 4.3 The Transferee Company 2 was incorporated on 26th April, 2023. The share capital of the Transferee Company 2 as at 09th August, 2023, i.e. the date of board resolution approving the Scheme is as under:

Particulars	Amount in Rupees
Authorised Capital	
2,50,00,000 Equity Shares of Rs. 10/- each	25,00,00,000
Total	25,00,00,000
Issued, Subscribed and Paid-up	
1,11,00,000 Equity Shares of Rs. 10/- each	11,10,00,000
Total	11,10,00,000

PART II – TRANSFER AND VESTING OF THE BUSINESS UNDERTAKING 1 OF TRANSFEROR COMPANY INTO TRANSFEREE COMPANY 1

5. TRANSFER AND VESTING OF THE BUSINESS UNDERTAKING 1 OF TRANSFEROR COMPANY INTO TRANSFEREE COMPANY 1

With effect from the Appointed Date, the Business Undertaking 1 of Transferor Company (as defined in Clause 1.10) shall stand transferred to and vested in or deemed to be transferred to and vested in Transferee Company 1, as a going concern on a slump sale basis, in accordance with Section 2(42C) of the IT Act and in the following manner:

- 5.1 The Business Undertaking 1 of Transferor Company shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, stand transferred to and vested in and/or deemed to be transferred to and vested in Transferee Company 1, as a going concern, on slump sale basis for a lump sum purchase consideration as set out hereinafter, such that Transferee Company 1 becomes entitled to all the rights, title and interest pertaining to the said Business Undertaking 1. The transfer of the Business Undertaking 1 under this Scheme shall be in compliance with the IT Act, specifically under Section 2(42C), and other relevant sections as may be applicable.
- 5.2 Without prejudice to the generality of the foregoing paragraph, upon the Scheme becoming effective, on and from the Appointed Date:

ASSETS & LIABILITIES

- 5.2.1 In respect of such of the assets and properties forming part of the Business Undertaking 1 of the Transferor Company as are movable in nature and/or otherwise capable of transfer by manual or constructive delivery and/or by endorsement and

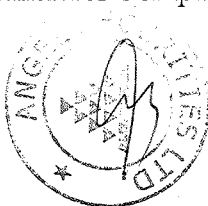
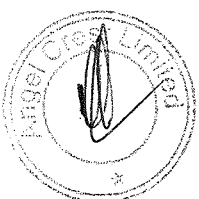


delivery, the same shall stand transferred by the Transferor Company to the Transferee Company 1, upon the coming into effect of this Scheme pursuant to the applicable provisions of the Act without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of the Transferee Company 1.

5.2.2 In respect to the assets of the Business Undertaking 1, other than those referred to in Clause 5.2.1 above, including all rights, title and interests in the agreements (including agreements with APs/ Affiliates), sundry debtors, claims from customers or otherwise, customer data, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, whether or not the same is held in the name of the Transferor Company, shall, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company 1, with effect from the Appointed Date by operation of law as transmission or as the case may be in favour of Transferee Company 1.

5.2.3 It is clarified that all client agreements and know your customer (KYC) details, sub-broker/authorized person agreement, agreements with Stock Exchanges, agreement with banks/clearing members, vendor agreements and power of attorneys would get transferred to and vested in the Transferee Company 1, with effect from the Appointed Date by operation of law or as per regulatory direction, as the case may be, in favour of Transferee Company 1 and shall have been deemed to have been entered into by the Transferee Company 1, in the following manner:

5.2.3.1 The Transferor Company shall, prior to the Appointed Date, issue notices to all its clients/constituents pertaining to Business Undertaking 1, on their last known postal addressor registered email address or electronically, intimating them regarding the transfer of the Business Undertaking 1 and disclosing the particulars of the Scheme, and supply a copy of the same. In the said notices, the Transferor Company shall call upon such clients/constituents to express their dissent, if any, to the transfer of its account and the novation of its agreement/s with the Transferor Company in favour of the Transferee Company 1 within 30 days of receipt of the said notice. The said notice shall be served upon these clients/constituents in such a manner that (i) the proofs of service of the same are maintained by the Transferor Company; and (ii) the clients/constituents are served with the said notice at least 31 days prior to the Appointed date. Should a client/constituent express dissent, their account shall be closed by the Transferor Company by following the process prescribed in law, as on the Appointed Date. The proofs of service of the said notices shall be transferred by the Transferor Company to the Transferee Company 1 on the Appointed Date.

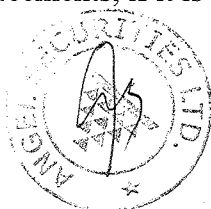


5.2.3.2 Unless a clients/constituent has expressed dissent, as above, the know your customer (KYC) details of the client/constituent shall be transferred by the Transferor Company to the Transferee Company 1 on the Appointed Date. Prior to transferring the KYC details, the Transferor Company shall take steps to ensure that the KYC to be transferred complies, in form and content, with the applicable law with respect to the form and contents of KYCs. Should one or more KYCs not conform to the prescribed form or contain the requisite information, the Transferor Company shall seek the requisite details from the relevant client/constituent. Should such information be not available on the Appointed Date even after the same has been sought by the Transferor Company, the KYC and the account may be transferred to the Transferee Company 1, provided that such account shall be kept dormant/non-operational by the Transferee Company 1 till all requirements with respect to the KYC have been complied with.

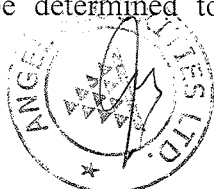
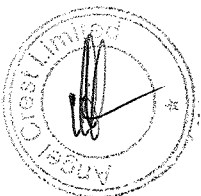
5.2.3.3 The Transferor Company shall, prior to the Appointed Date, issue notices to all its Authorized Persons, on their last know postal address or registered email address or electronically as available on its records, intimating them regarding the transfer of the Business Undertaking 1 and disclosing the particulars of the Scheme, and supply a copy of the same. In the said notices, the Transferor Company shall call upon its Authorized Persons to express their consent for the novation of their agreement/s with the Transferor Company in favour of the Transferee Company 1 within 30 days of receipt of the said notice. The said notice shall be served upon the Authorized Persons in such a manner that (i) the proofs of service of the same are maintained by the Transferor Company; and (ii) the Authorized Persons are served with the said notice at least 31 days prior to the Appointed date. Should an Authorized Person not express consent, the agreement with such Authorized Person shall be terminated by the Transferor Company by following the process prescribed in law, as on the Appointed Date. The proofs of service of the notices as well as the consents received from the Authorized Persons (being instruments of novation) shall be transferred by the Transferor Company to the Transferee Company 1 on the Appointed Date.

5.2.3.4 It is clarified that all loss, damage, cause, cost or liability arising out of or in connection with the matters referred to in this Clause [5.2.3] shall be deemed to have been transferred to in full and without exception to the Transferee Company 1 as on the Appointed Date.

5.2.4 With regard to the licenses of the properties, the Transferee Company 1 will enter into novation agreements, if it is so required.



- 5.2.5 The Transferor Company may, at its sole discretion but without being obliged to, give notice in such form as it may deem fit and proper, to such persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, deposit, contracts or policies relating to the Transferor Company stands transferred to and vested in the Transferee Company 1 and that appropriate modification should be made in their respective books/ records to reflect the aforesaid changes; For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon the coming into effect of this Scheme, all permits, licenses permissions, right of way, approvals, clearances, consents, benefits, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, issued to or granted to or executed in favour of the Transferor Company, and the rights and benefits under the same, in so far as they relate to the Business Undertaking 1 and all quality certifications and approvals, trademarks, trade names, service marks, copyright, domain names, designs, research and studies, technical knowhow and other intellectual properties and all other interests relating to the goods or services being dealt with by the Business Undertaking 1 and the benefit of all statutory and regulatory permissions, and consents, registration or other licenses, and consents acquired by the Transferor Company in relation to the Business Undertaking 1 shall be transferred to and vested in the Transferee Company 1 and the concerned licensors and grantors of such approvals, clearances, permissions, etc., shall endorse, where necessary, and record, in accordance with law, the Transferee Company 1 on such approvals, clearances, permissions so as to empower and facilitate the approval and vesting of the Business Undertaking 1 of the Transferor Company in the Transferee Company 1 and continuation of operations pertaining to the Business Undertaking 1 of the Transferor Company in the Transferee Company 1 without hindrance and that such approvals, clearances and permissions shall remain in full force and effect in favour of or against the concerned Transferee Company 1, as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company 1 had been a party or beneficiary or obligee or obligor thereto.
- 5.2.6 All bank accounts, Demat accounts which relate to the Business Undertaking 1 (as may be identified by the Board of Directors of the Transferor Company) shall stand transferred to the Transferee Company 1 by virtue of the Scheme and the Transferee Company 1 shall be entitled to continue to operate such bank accounts, Demat accounts (in accordance with law) in the name of the Transferor Company. In addition, the Transferee Company 1 shall be entitled to and the banker of the Transferee Company 1 shall allow maintaining of bank accounts, Demat accounts in the name of the Transferor Company by the Transferee Company 1 for such time as may be determined to be necessary by the Transferor Company and the



Transferee Company 1 for presentation and deposition of cheques and other negotiable instruments, payment orders, NACH mandates, ECS debit mandates that have been issued in the name of the Transferor Company in connection with the business of the Business Undertaking 1. All cheques and other negotiable instruments, payment orders, NACH mandates, ECS debit mandates received or presented for encashment which are in the name of the Transferor Company pertaining to the Business Undertaking 1 after the Effective Date shall be accepted by the bankers of the Transferee Company 1 and shall be credited to the bank account(s) vested in the Transferee Company 1 if presented by the Transferee Company 1. Similarly, it is hereby expressly clarified that any legal proceedings filed by the Transferor Company in relation to cheques and negotiable instruments, payment orders, NACH mandates, ECS debit mandates received or presented for encashment which are in the name of the Transferor Company pertaining to the Business Undertaking 1 shall be instituted, or as the case may be, continued by or against the Transferee Company 1 after the coming into effect of the Scheme.

5.2.7 Upon effectiveness of the this Scheme, all debts, liabilities, loans, obligations and duties of the Transferor Company as on the Appointed Date and relatable to the Business Undertaking 1 (“Business Undertaking 1”) shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Transferee Company 1 to the extent that they are outstanding as on the Appointed Date and the Transferee Company 1 shall meet, discharge and satisfy the same. The term “Business Undertaking 1 Liabilities” shall include:

5.2.7.1 the debts, liabilities obligations incurred and duties of any kind, nature or description (including contingent liabilities) which arise out of the activities or operations of the Business Undertaking 1; and

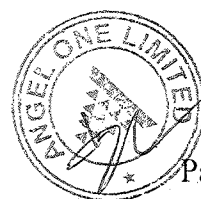
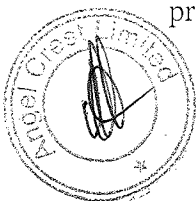
5.2.7.2 the specific loans or borrowings (including CP’s, debentures bonds, notes and other debt securities raised, incurred and utilized solely for the activities or operations of the Business Undertaking 1).

5.2.8 Without prejudice to the foregoing provisions of this clause, upon the coming into effect of the Scheme and with effect from Appointed Date, all the commercial papers (“CPs”) (including Listed CPs), or other debt securities and other instruments of like nature (whether convertible into equity shares or not) (“**Debt Securities**”) taken for the purpose of operations of Business Undertaking 1, pursuant to the provisions of Sections 230-232 and other relevant provisions of the Act, without any further act, instrument or deed, become the Debt Securities of the Transferee Company 1 on the same terms and conditions (including same rights, interests and benefits) as applicable to the Transferor Company and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in and shall be exercised by or against the



Transferee Company 1 as if it was the issuer of such Debt Securities, so transferred and vested. Subject to the requirements, if any, imposed or concessions, if any, by the stock exchanges, and other terms and conditions agreed with the stock exchanges, the CPs shall be vested in the Transferee Company 1, shall continue to be listed, where the CPs are currently listed, subject to applicable regulations and prior approval requirements. The Board of the Companies shall be authorized to take such steps and do all acts, deeds and things in relation to the foregoing. For the sake of completeness, it is clarified that all terms thereof will remain the same for the holders and there will be no transfer, reissue or swap of the security/ instrument from the perspective of the holders thereof.

- 5.2.9 Subject to the other provisions of this Scheme, in so far as the assets of the Business Undertaking 1 are concerned, the security, pledge, existing charges and mortgages, over such assets, to the extent they relate to any loans or borrowings of the Remaining Business of the Transferor Company shall, without any further act, instrument or deed be released and discharged from the same and shall no longer be available as security, pledge, charges and mortgages in relation to those liabilities of the Transferor Company which are not transferred to the Transferee Company 1.
- 5.2.10 Unless otherwise agreed to between the Transferor Company and the Transferee Company 1, the vesting of all the assets of the Transferor Company forming part of the Business Undertaking 1, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets forming part of the Business Undertaking 1 of the Transferor Company or part thereof on or over which they are subsisting on and vesting of such assets in the Transferee Company 1 and no such Encumbrances shall extend over or apply to any other asset(s) of Transferee Company 1. Any reference in any security documents or arrangements (to which Transferor Company is a party) related to any assets of Transferor Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company 1. Similarly, Transferee Company 1 shall not be required to create any additional security over assets vested under this Scheme for any loans, debentures or other financial assistance already availed of/ to be availed of by it.
- 5.2.11 Without prejudice to the provisions of the foregoing clauses, the Transferor Company and the Transferee Company 1 shall enter into and execute such other deeds, instruments, documents and/or writings and/or do all acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the concerned Registrar of Companies, to give formal effect to the provisions of this clause and foregoing clauses, if required.



5.2.12 Subject to clause 5 and any other provisions of the Scheme, any refunds, benefits, incentives, grants, subsidies in relation to or in connection with the Business Undertaking 1, the Transferor Company shall, if so required by the Transferee Company 1, issue notices in such form as the Transferee Company 1 may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company 1, as the person entitled thereto, to the end and intent that the right of the Transferor Company to recover or realize the same, stands transferred to the Transferee Company 1 and that appropriate entries should be passed in their respective books to record the aforesaid changes.

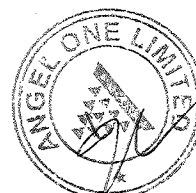
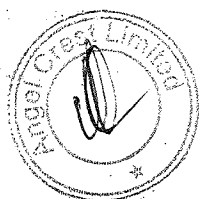
5.2.13 Without prejudice to the provisions of the foregoing sub clauses of this Clause 5, and upon the effectiveness of this Scheme, the Transferor Company and the Transferee Company 1 shall be entitled to apply to the Appropriate Authorities as are necessary under any law for such consents, approvals and sanctions which the Transferee Company 1 may require and execute any and all instruments or documents and do all the acts and deeds as may be required, including filing of necessary particulars and/ or modification(s) of charge, with the concerned RoC or filing of necessary applications, notices, intimations or letters with any authority or person to give effect to the Scheme.

6. LEGAL PROCEEDINGS

6.1 Upon the Effective Date, all Transferring Litigations, pending on the Effective Date, by or against the Transferor Company in relation to the Business Undertaking 1, shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against Transferee Company 1, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

6.2 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Company in relation to the Business Undertaking 1, Transferee Company 1 shall be made party thereto, and any payment and expenses made thereto shall be the liability of Transferee Company 1. For the avoidance of doubt, it is clarified that all Excluded Litigations shall continue to be prosecuted and enforced by or against the Transferor Company.

6.3 From the Effective Date, the Transferee Company 1 (a) shall be replaced / added (as may be required) as party to Transferring Litigations; and (b) shall, subject to any agreement between the Parties and subject to any liabilities that would remain with the Transferor



Company by operation of Applicable Law, prosecute or defend or enforce such proceedings as the case may be to the exclusion of the Transferor Company. Each of the Parties shall be entitled to make relevant applications in that behalf, as may be required.

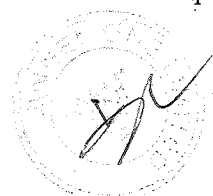
7. CONTRACTS, DEEDS, ETC.

7.1 Subject to the other provisions of this Scheme, all contracts, agreements (along with all client registration forms, know your customer (KYC) records, power of attorney/ Demat debit and pledge instructions (DDPI), delivery issued by clients, client records, authorisations, client details, APs/ Affiliates agreement etc), undertakings of whatsoever nature, whether written or otherwise, deeds, bonds, arrangements, service agreements, or other instruments, any charge/ pledge created on securities in client account(s) or such other document or authorisations provided by the client from time to time, in accordance with Applicable Law(s), all assurances in favour of the Transferor Company pertaining to the Business Undertaking 1 or powers or authorities granted to it, of whatever nature along with the contractual rights (including claim receivables and claim proceeds) and obligations to which the Transferor Company pertaining to the Business Undertaking 1 is a party or to the benefit of which the Transferor Company pertaining to the Business Undertaking 1 may be eligible and which are subsisting or having effect, immediately before the Effective Date, shall stand transferred to and vested in the Transferee Company 1 pursuant to the Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence. The Transferor Company and Transferee Company 1 shall, wherever necessary, enter into and/ or execute deeds, writings, confirmations or novations to all such contracts, agreements, etc, if necessary, in order to give formal effect to the provisions of this Clause.

7.2 In addition to the above, all the clients and/ or customers forming part of the Business Undertaking 1 as on the Effective Date and having their accounts with the Depository Participant ID of Transferor Company shall be transferred to the Depository Participant ID of Transferee Company 1.

7.3 Transferee Company 1 shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novation, to which Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. Transferee Company 1 shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of Transferor Company and to implement or carry out all formalities required on the part of the Business Undertaking 1 to give effect to the provisions of this Scheme.

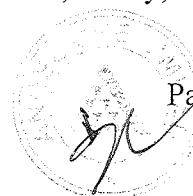
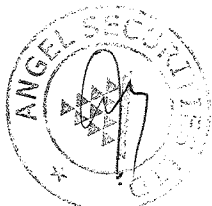
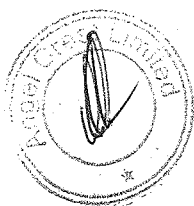
7.4 All guarantees provided by any bank, financial institution, promoters, directors or other third party in favour of the Transferor Company including without limitation guarantees in respect of margin trading facility loans disbursed by the Transferor Company in respect of



or in relation to the Business Undertaking 1 that are outstanding as on the Effective Date, shall vest in the Transferee Company 1 and shall ensure to the benefit of the Transferee Company 1 as if the same were issued directly in favour of the Transferee Company 1. All guarantees issued by any bank or financial institution in respect of the obligations of the Transferor Company in respect of or in relation to the Business Undertaking 1 and outstanding on the Effective Date shall be deemed to have been issued at the request of and to guarantee the obligations of the Transferee Company 1 and continue in favour of the relevant third party till its maturity or earlier termination.

8. EMPLOYEES

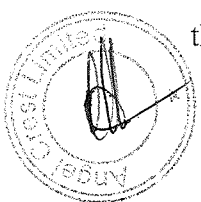
- 8.1 Upon the coming into effect of this Scheme, all the employees relating to the Business Undertaking 1 that were employed by the Transferor Company, immediately before the Effective Date, shall become employees of the Transferee Company 1 without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable to such employees relating to the Business Undertaking 1 of the Transferor Company immediately prior to the transfer of such Business Undertaking 1.
- 8.2 The Transferee Company 1 agrees that the service of all employees pertaining to the Business Undertaking 1 with the Transferor Company up to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible in the Transferor Company up to the Effective Date. The Transferee Company 1 further agrees that for the purpose of payment of any retrenchment compensation, gratuity, employee stock option and pension schemes, any variables based on the performance or other terminal benefits, such past service with the Transferor Company, shall also be taken into account and agrees and undertakes to pay the same as and when payable
- 8.3 Upon the coming into effect of this Scheme, the Transferee Company 1 shall make all the necessary contributions for such transferred employees relating to their respective Business Undertaking 1, and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. The Transferee Company 1 will also file relevant intimations in respect of their Business Undertaking 1 to the statutory authorities concerned who shall take the same on record and substitute the name of the Transferee Company 1 for the Transferor Company.
- 8.4 In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by the



Transferor Company for employees of the Business Undertaking 1 are concerned, such proportion of the funds, contributions to the funds or the scheme or the investments made into the funds relatable to the employees pertaining to the Business Undertaking 1 as on the Effective Date, who are being transferred along with the Business Undertaking 1 in terms of the Scheme, upon the coming into effect of this Scheme, shall be transferred to the necessary funds, schemes or trusts of the Transferee Company 1 and till the time such necessary funds, schemes or trusts are created by the Transferee Company 1, all contributions shall continue to be made to the existing funds, schemes or trusts of the Transferor Company.

8.5 Stock Options:

- i) Upon the effectiveness of the Scheme, notwithstanding anything contained in clause 11 or any other clause of the ESOP 2018 and LTI Plan 2021 of the Transferor Company, all the stock options granted by Transferor Company under the ESOP 2018 and LTI Plan 2021, if existing as of the Effective Date, to the employees relating to Business Undertaking 1, shall continue to be in full force and shall vest, without pro rating the service at the Transferor Company, in accordance with the timelines set out in the ESOP 2018 and LTI Plan 2021 and the employees relating to the Business Undertaking 1, shall continue to get the benefits under the provisions of the ESOP 2018 and LTI Plan 2021, as if they were the employees of the Transferor Company and shall have the right to exercise such stock options in the manner contemplated under the ESOP 2018 and LTI Plan 2021. Upon exercise of the aforesaid options by the said employees from time to time in accordance with the ESOP 2018 and LTI Plan 2021, the Transferor Company shall continue to honour its obligations under the ESOP 2018 and LTI Plan 2021 with respect to such employees in accordance with the provisions of the ESOP 2018 and LTI Plan 2021.
- ii) The modifications, if any, to the ESOP 2018 and LTI Plan 2021 required to effect the treatment set out at Clause 8.5.(i) above shall be effected as an integral part of the Scheme and the approval granted to the Scheme by the shareholders of the Transferor Company shall also be deemed to be their approval to such amendments under Applicable Law and any guidelines/ regulations issued by SEBI and no further approval of the shareholders of the Transferor Company or any other person would be required to be separately obtained in this connection. The ESOP 2018 and LTI Plan 2021 shall be deemed to be amended to give effect to all matters pertaining to the ESOP 2018 and LTI Plan 2021 as described in this Scheme. It is hereby clarified that the modification, if any to ESOP 2018 and LTI Plan 2021 under this Clause 8.5(ii) shall be applicable to all eligible employees classified or to be classified under the ESOP 2018 and LTI Plan 2021.
- iii) Without prejudice to the generality of the above, upon the Scheme coming into effect, the Board of the Transferor Company may take such actions and execute such



documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause 8.5, including carrying out necessary amendments to the ESOP 2018 and LTI Plan 2021 without any further approval of the shareholders of the Transferor Company and/ or any other Person.

9. VALIDITY OF EXISTING RESOLUTIONS

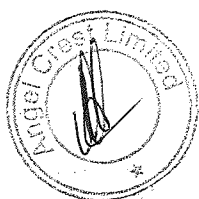
Upon the coming into effect of the Scheme, the resolutions, if any, of the Transferor Company relating to the Business Undertaking 1, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company 1.

10. TAXATION

- 10.1 All goods and services tax credits, incentives, benefits, etc. belonging to the Business Undertaking 1 as of the Appointed Date, shall be deemed to be and shall become the assets, rights, title, interest and entitlement of the Transferee Company 1 on and from the Appointed Date, without any further acts, instrument, deeds or things, pursuant to the approval granted by the NCLT to this Scheme in accordance with sections 230 – 232 of the Act. It is hereby clarified that any tax refunds which relate to a period prior to the Appointed Date will belong to the Transferor Company.
- 10.2 Notwithstanding anything contrary to the foregoing, it is clarified that, all taxes and duties payable by the Transferor Company, accruing and relating to the Business Undertaking 1, including but not limited to tax payments, tax deducted at source, tax collected at source, withholding tax credits, to the extent not transferable, minimum alternate tax any refund and claims existing on the Appointed Date shall, for all purposes, be treated as tax payments, tax deducted at source, tax collected at source, minimum alternate tax or refunds and claims, as the case may be, of the Transferor Company.

11. CONDUCT OF BUSINESS

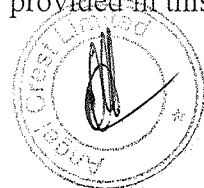
- 11.1 During the Implementation Period, the Transferor Company shall operate the Business Undertaking 1 in the ordinary course of business, unless otherwise agreed between the Boards of the Transferor Company and Transferee Company 1. It is hereby clarified that nothing in this clause shall prevent the Transferor Company from (a) taking any action relating to the Business Undertaking 1 which has already been decided prior to the commencement of the Implementation Period or which is in the interest of the Business Undertaking 1; or (b) take any steps with respect to operations or functioning of the Transferor Company or its Remaining Business.
- 11.2 The Transferee Company 1 shall also be entitled, to apply to the relevant Appropriate Authorities, wherever necessary, for such consents, approvals and sanctions which the



Transferee Company 1 may require including the registration, approvals, exemptions, reliefs, etc., as may be required/granted under any Applicable Law for carrying on the Business Undertaking 1 during the Implementation Period.

12. CONSIDERATION

- 12.1 Upon the coming into effect of this Scheme and upon transfer and vesting of the Business Undertaking 1 in the Transferee Company 1 as a going concern on a slump sale basis, in accordance with the terms of the Scheme and pursuant to the provisions of sections 230-232 and other relevant provisions of the Act, the total lump sum consideration payable by the Transferee Company 1 to the Transferor Company for purchase of the Business Undertaking 1 shall be the Purchase Consideration 1 (as defined hereinbefore under clause 1.23).
- 12.2 The Purchase Consideration 1 payable shall be settled by way of issuance and allotment, to the Transferor Company, CCPS of the Transferee Company 1 at fair value of the CCPS of the Transferee Company 1.
- 12.3 The CCPS to be issued and allotted by the Transferee Company 1 in terms of Clause 12.2 above shall be subject to the provisions of the memorandum of association and articles of association of the Transferee Company 1.
- 12.4 The CCPS issued pursuant to Clause 12.2 above shall be issued in the dematerialized form by the Transferee Company 1.
- 12.5 The issue and allotment of CCPS by the Transferee Company 1 to the Transferor Company as provided in Clause 12.2 of this Scheme is an integral part thereof, and shall be deemed to have been carried out pursuant to the provisions of the Scheme as if the procedure laid down under the Act and any other applicable provisions of the Act were duly complied with and will not require any further act or deed or approvals by the Transferee Company 1. Similarly, the subscription to the shares of the Transferee Company 1 by the Transferor Company shall be deemed to have been carried out pursuant to the provisions of the Scheme as if the procedure laid down under section 186 of the Act and any other applicable provisions of the Act or SEBI LODR Regulations were duly complied with and will not require any further act or deed or approvals by the Transferor Company either under the Act or the SEBI LODR Regulations.
- 12.6 Under and pursuant to the Scheme, no fractional shares shall be issued by Transferee Company 1 in respect of the fractional entitlements to Transferor Company and such fractional entitlement, if any, shall be rounded off to next integer.
- 12.7 Approval of this Scheme by the shareholders of the Transferee Company 1 shall be deemed to be the due compliance with the provisions of the Act and other relevant and applicable provisions of the Act for the issue and allotment of CCPS by the Transferee Company 1, as provided in this Scheme.



13. ACCOUNTING TREATMENT

13.1 IN THE BOOKS OF TRANSFEROR COMPANY

Notwithstanding anything to the contrary contained in any other clause in the Scheme, the Transferor Company shall account for the transfer of the Business Undertaking 1 to the Transferee Company 1 by applying principles of Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, in its books of accounts with effect from the Appointed Date such that:

- (a) The assets and liabilities of the Business Undertaking 1 of the Transferor Company as appearing in the books of accounts of the Transferor Company shall stand transferred to and vested in the Transferee Company 1 and shall be reduced from the respective book value of assets and liabilities of the Transferor Company. The difference between the assets and liabilities as per this clause is referred to as “Net non-cash assets”.
- (b) The Transferor Company shall recognize additional investment in CCPS received as consideration at an amount equal to the net non-cash assets derecognized as per sub-clause (a) above, subject to impairment assessment as per the requirements of Ind AS.

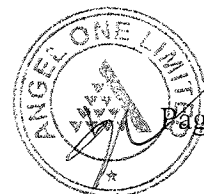
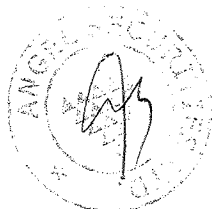
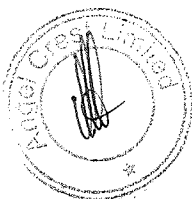
For accounting purposes, the Scheme will be given effect on the date when all substantial conditions for the transfer of Business Undertaking 1 to the Transferee Company 1 are completed.

Any matter not dealt with in the clauses hereinabove shall be dealt with in accordance with Ind AS applicable to the Transferor Company

13.2 IN THE BOOKS OF TRANSFEE COMPANY 1

Notwithstanding anything to the contrary contained in any other clause in the Scheme, the Transferee Company 1 shall account for the transfer of the Business Undertaking 1 by the Transferor Company by applying principles of Ind AS notified under Section 133 of the Companies Act, 2013, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, in its books of accounts with effect from the Appointed Date such that

- (a) With effect from the Appointed Date, Transferee Company 1 shall record all assets and liabilities of the Business Undertaking 1 transferred to it in pursuance of this Scheme at their respective book values as appearing in the books of Transferor Company as on the Appointed Date.
- (b) Difference between the book value of assets and liabilities, so recorded in the books of Transferee Company 1, as reduced by consideration paid/ payable by Transferee Company 1 to Transferor Company, if any, shall be debited/ credited to the capital reserve account of Transferee Company 1.



For accounting purposes, the Scheme will be given effect on the date when all substantial conditions for the transfer of Business Undertaking 1 to the Transferee Company 1 are completed.

Any matter not dealt with in the clauses hereinabove shall be dealt with in accordance with Ind AS applicable to the Transferee Company 1.

**PART III – TRANSFER AND VESTING OF THE BUSINESS UNDERTAKING 2
OF TRANSFEROR COMPANY INTO TRANSFEREE COMPANY 2**

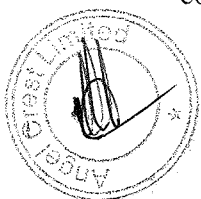
**14. TRANSFER AND VESTING OF THE BUSINESS UNDERTAKING 2 OF
TRANSFEROR COMPANY INTO TRANSFEREE COMPANY 2**

With effect from the Appointed Date, the Business Undertaking 2 of Transferor Company (as defined in Clause 1.11) shall stand transferred to and vested in or deemed to be transferred to and vested in Transferee Company 2, as a going concern on a slump sale basis, in accordance with Section 2(42C) of the IT Act and in the following manner:

- 14.1 The Business Undertaking 2 of Transferor Company shall, under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act or deed, stand transferred to and vested in and/or deemed to be transferred to and vested in Transferee Company 2, as a going concern, on slump sale basis for a lump sum purchase consideration as set out hereinafter, such that Transferee Company 2 becomes entitled to all the rights, title and interest pertaining to the said Business Undertaking 2. The transfer of the Business Undertaking 2 under this Scheme shall be in compliance with the IT Act, specifically under Section 2(42C), and other relevant sections as may be applicable.
- 14.2 Without prejudice to the generality of the foregoing paragraph, upon the Scheme becoming effective, on and from the Appointed Date:

ASSETS & LIABILITIES

- 14.2.1 In respect of such of the assets and properties forming part of the Business Undertaking 2 of the Transferor Company as are movable in nature and/or otherwise capable of transfer by manual or constructive delivery and/or by endorsement and delivery, the same shall stand transferred by the Transferor Company to the Transferee Company 2, upon the coming into effect of this Scheme pursuant to the applicable provisions of the Act without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of the Transferee

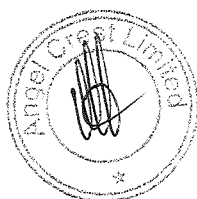


Company 2, provided that the Transferee Company 2 is entitled in law to receive (conditionally or otherwise) the same.

14.2.2 In respect to the assets of the Business Undertaking 2, other than those referred to in Clause 14.2.1 above, including all rights, title and interests in the agreements (including agreements with DRAs), sundry debtors, claims from customers or otherwise, customer data, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, whether or not the same is held in the name of the Transferor Company, shall, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company 2, with effect from the Appointed Date by operation of law as transmission or as the case may be in favour of Transferee Company 2, provided that the Transferee Company 2 is entitled in law to receive (conditionally or otherwise) the same..

14.2.3 It is clarified that all client agreements and know your customer (KYC) details, agreements with Stock Exchanges, agreement with banks/clearing members, vendor agreements and power of attorneys would get transferred to and vested in the Transferee Company 2, with effect from the Appointed Date by operation of law or as per regulatory direction, as the case may be, in favour of Transferee Company 2, provided that the Transferee Company 2 is entitled in law to receive (conditionally or otherwise) the same, and shall have been deemed to have been entered into by the Transferee Company 2, in the following manner:

14.2.3.1 The Transferor Company shall, prior to the Appointed Date, issue notices to all its clients/constituents pertaining to Business Undertaking 2, on their last known postal address or registered email address or electronically intimating them regarding the transfer of the Business Undertaking 2 and disclosing the particulars of the Scheme, and supply a copy of the same. In the said notices, the Transferor Company shall call upon such clients/constituents to express their dissent, if any, to the transfer of its account and the novation of its agreement/s with the Transferor Company in favour of the Transferee Company 2 within 30 days of receipt of the said notice. The said notice shall be served upon these clients/constituents in such a manner that (i) the proofs of service of the same are maintained by the Transferor Company; and (ii) the clients/constituents are served with the said notice at least 31 days prior to the Appointed date. Should a client/constituent express dissent, their account shall be closed by the Transferor Company by following the process prescribed in law, as on the Appointed Date. The proofs of service of the said notices shall be transferred by the Transferor Company to the Transferee Company 2 on the Appointed Date.

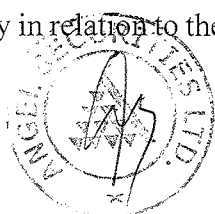
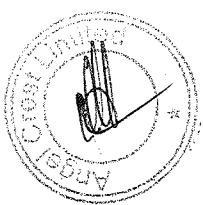


14.2.3.2 Unless a client/constituent has expressed dissent, as above, the know your customer (KYC) details of the client/constituent shall be transferred by the Transferor Company to the Transferee Company 2 on the Appointed Date. Prior to transferring the KYC details, the Transferor Company shall take steps to ensure that the KYC to be transferred complies, in form and content, with the applicable law with respect to the form and contents of KYCs. Should one or more KYCs not conform to the prescribed form or contain the requisite information, the Transferor Company shall seek the requisite details from the relevant client/constituent. Should such information be not available on the Appointed Date even after the same has been sought by the Transferor Company, the KYC and the account may be transferred to the Transferee Company 2, provided that such account shall be kept dormant/non-operational by the Transferee Company 2 till all requirements with respect to the KYC have been complied with.

14.2.3.3 It is clarified that all loss, damage, cause, cost or liability arising out of or in connection with the matters referred to in this Clause [14.2.3] shall be deemed to have been transferred to in full and without exception to the Transferee Company 2 as on the Appointed Date.

14.2.4 With regard to the licenses of the properties, the Transferee Company 2 will enter into novation agreements, if it is so required.

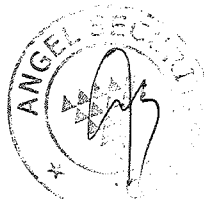
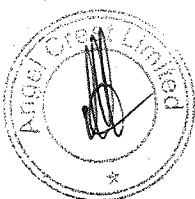
14.2.5 The Transferor Company may, at its sole discretion but without being obliged to, give notice in such form as it may deem fit and proper, to such persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, deposit, contracts or policies relating to the Transferor Company stands transferred to and vested in the Transferee Company 2 and that appropriate modification should be made in their respective books/ records to reflect the aforesaid changes; For the avoidance of doubt and without prejudice to the generality of the foregoing, it is expressly clarified that upon the coming into effect of this Scheme, all permits, licenses permissions, right of way, approvals, clearances, consents, benefits, registrations, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, issued to or granted to or executed in favour of the Transferor Company, and the rights and benefits under the same, in so far as they relate to the Business Undertaking 2 and all quality certifications and approvals, trademarks, trade names, service marks, copyright, domain names, designs, research and studies, technical knowhow and other intellectual properties and all other interests relating to the goods or services being dealt with by the Business Undertaking 2 and the benefit of all statutory and regulatory permissions, and consents, registration or other licenses, and consents acquired by the Transferor Company in relation to the Business Undertaking 2 shall be transferred to and vested



in the Transferee Company 2 and the concerned licensors and grantors of such approvals, clearances, permissions, etc., shall endorse, where necessary, and record, in accordance with law, the Transferee Company 2 on such approvals, clearances, permissions so as to empower and facilitate the approval and vesting of the Business Undertaking 2 of the Transferor Company in the Transferee Company 2 and continuation of operations pertaining to the Business Undertaking 2 of the Transferor Company in the Transferee Company 2 without hindrance and that such approvals, clearances and permissions shall remain in full force and effect in favour of or against the concerned Transferee Company 2, as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company 2 had been a party or beneficiary or obligee or obligor thereto.

14.2.6 All bank accounts, Demat account which relate to the Business Undertaking 2 (as may be identified by the Board of Directors of the Transferor Company) shall stand transferred to the Transferee Company 2 by virtue of the Scheme and the Transferee Company 2 shall be entitled to continue to operate such bank accounts, Demat accounts (in accordance with law) in the name of the Transferor Company. In addition, the Transferee Company 2 shall be entitled to and the banker of the Transferee Company 2 shall allow maintaining of bank accounts, Demat accounts in the name of the Transferor Company by the Transferee Company 2 for such time as may be determined to be necessary by the Transferor Company and the Transferee Company 2 for presentation and deposition of cheques and other negotiable instruments, payment orders, NACH mandates, ECS debit mandates that have been issued in the name of the Transferor Company in connection with the business of the Business Undertaking 2. All cheques and other negotiable instruments, payment orders, NACH mandates, ECS debit mandates received or presented for encashment which are in the name of the Transferor Company pertaining to the Business Undertaking 2 after the Effective Date shall be accepted by the bankers of the Transferee Company 2 and shall be credited to the bank account(s) vested in the Transferee Company 2 if presented by the Transferee Company 2. Similarly, it is hereby expressly clarified that any legal proceedings filed by the Transferor Company in relation to cheques and negotiable instruments, payment orders, NACH mandates, ECS debit mandates received or presented for encashment which are in the name of the Transferor Company pertaining to the Business Undertaking 2 shall be instituted, or as the case may be, continued by or against the Transferee Company 2 after the coming into effect of the Scheme.

14.2.7 Upon effectiveness of the this Scheme, all debts, liabilities, loans, obligations and duties of the Transferor Company as on the Appointed Date and relatable to the Business Undertaking 2 (“Business Undertaking”) shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Transferee



Company 2 to the extent that they are outstanding as on the Appointed Date and the Transferee Company 2 shall meet, discharge and satisfy the same. The term “Business Undertaking 2 Liabilities” shall include:

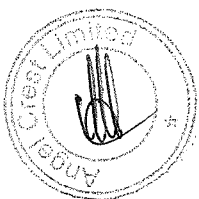
14.2.7.1 the debts, liabilities obligations incurred and duties of any kind, nature or description (including contingent liabilities) which arise out of the activities or operations of the Business Undertaking 2; and

14.2.7.2 the specific loans or borrowings (including CP’s, debentures bonds, notes and other debt securities raised, incurred and utilized solely for the activities or operations of the Business Undertaking 2).

14.2.8 Without prejudice to the foregoing provisions of this clause, upon the coming into effect of the Scheme and with effect from Appointed Date, all the commercial papers (“CPs”) (including Listed CPs), or other debt securities and other instruments of like nature (whether convertible into equity shares or not) (“**Debt Securities**”) taken for the purpose of operations of Business Undertaking 2, pursuant to the provisions of Sections 230-232 and other relevant provisions of the Act, without any further act, instrument or deed, become the Debt Securities of the Transferee Company 2 on the same terms and conditions (including same rights, interests and benefits) as applicable to the Transferor Company and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in and shall be exercised by or against the Transferee Company 2 as if it was the issuer of such Debt Securities, so transferred and vested. Subject to the requirements, if any, imposed or concessions, if any, by the stock exchanges, and other terms and conditions agreed with the stock exchanges, the CPs shall be vested in the Transferee Company 2, shall continue to be listed, where the CPs are currently listed, subject to applicable regulations and prior approval requirements. The Board of the Companies shall be authorized to take such steps and do all acts, deeds and things in relation to the foregoing. For the sake of completeness, it is clarified that all terms thereof will remain the same for the holders and there will be no transfer, reissue or swap of the security/ instrument from the perspective of the holders thereof.

14.2.9 Subject to the other provisions of this Scheme, in so far as the assets of the Business Undertaking 2 are concerned, the security, pledge, existing charges and mortgages, over such assets, to the extent they relate to any loans or borrowings of the Remaining Business of the Transferor Company shall, without any further act, instrument or deed be released and discharged from the same and shall no longer be available as security, pledge, charges and mortgages in relation to those liabilities of the Transferor Company which are not transferred to the Transferee Company 2.

14.2.10 Unless otherwise agreed to between the Transferor Company and the Transferee Company 2, the vesting of all the assets of the Transferor Company forming part of

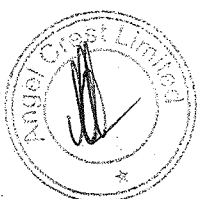


the Business Undertaking 2, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets forming part of the Business Undertaking 2 of the Transferor Company or part thereof on or over which they are subsisting on and vesting of such assets in the Transferee Company 2 and no such Encumbrances shall extend over or apply to any other asset(s) of Transferee Company 2. Any reference in any security documents or arrangements (to which Transferor Company is a party) related to any assets of Transferor Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company 2. Similarly, Transferee Company 2 shall not be required to create any additional security over assets vested under this Scheme for any loans, debentures or other financial assistance already availed of/ to be availed of by it.

14.2.11 Without prejudice to the provisions of the foregoing clauses, the Transferor Company and the Transferee Company 2 shall enter into and execute such other deeds, instruments, documents and/or writings and/or do all acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the concerned Registrar of Companies, to give formal effect to the provisions of this clause and foregoing clauses, if required.

14.2.12 Subject to clause 14 and any other provisions of the Scheme, any refunds, benefits, incentives, grants, subsidies in relation to or in connection with the Business Undertaking 2, the Transferor Company shall, if so required by the Transferee Company 2, issue notices in such form as the Transferee Company 2 may deem fit and proper stating that pursuant to the Tribunal having sanctioned this Scheme, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company 2, as the person entitled thereto, to the end and intent that the right of the Transferor Company to recover or realize the same, stands transferred to the Transferee Company 2 and that appropriate entries should be passed in their respective books to record the aforesaid changes.

14.2.13 Without prejudice to the provisions of the foregoing sub clauses of this Clause 14, and upon the effectiveness of this Scheme, the Transferor Company and the Transferee Company 2 shall be entitled to apply to the Appropriate Authorities as are necessary under any law for such consents, approvals and sanctions which the Transferee Company 2 may require and execute any and all instruments or documents and do all the acts and deeds as may be required, including filing of necessary particulars and/ or modification(s) of charge, with the concerned RoC or filing of necessary applications, notices, intimations or letters with any authority or person to give effect to the Scheme.

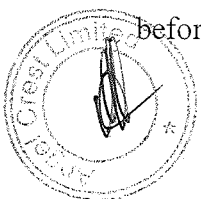


15. LEGAL PROCEEDINGS

- 15.1 Upon the Effective Date, all Transferring Litigations, pending on the Effective Date, by or against the Transferor Company in relation to the Business Undertaking 2, shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against Transferee Company 2, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.
- 15.2 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Company in relation to the Business Undertaking 2, Transferee Company 2 shall be made party thereto, and any payment and expenses made thereto shall be the liability of Transferee Company 2. For the avoidance of doubt, it is clarified that all Excluded Litigations shall continue to be prosecuted and enforced by or against the Transferor Company.
- 15.3 From the Effective Date, the Transferee Company 2 (a) shall be replaced / added (as may be required) as party to Transferring Litigations; and (b) shall, subject to any agreement between the Parties and subject to any liabilities that would remain with the Transferor Company by operation of Applicable Law, prosecute or defend or enforce such proceedings as the case may be to the exclusion of the Transferor Company. Each of the Parties shall be entitled to make relevant applications in that behalf, as may be required.

16. CONTRACTS, DEEDS, ETC.

- 16.1 Subject to the other provisions of this Scheme, all contracts, agreements (along with all client registration forms, know your customer (KYC) records, power of attorney/ Demat debit and pledge instructions (DDPI), delivery issued by clients, client records, authorisations, client details, DRA agreement etc), undertakings of whatsoever nature, whether written or otherwise, deeds, bonds, arrangements, service agreements, or other instruments, any charge/ pledge created on securities in client account(s) or such other document or authorisations provided by the client from time to time, in accordance with Applicable Law(s), all assurances in favour of the Transferor Company pertaining to the Business Undertaking 2 or powers or authorities granted to it, of whatever nature along with the contractual rights (including claim receivables and claim proceeds) and obligations to which the Transferor Company pertaining to the Business Undertaking 2 is a party or to the benefit of which the Transferor Company pertaining to the Business Undertaking 2 may be eligible and which are subsisting or having effect, immediately before the Effective Date, shall stand transferred to and vested in the Transferee Company



2 pursuant to the Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence. The Transferor Company and Transferee Company 2 shall, wherever necessary, enter into and/ or execute deeds, writings, confirmations or novations to all such contracts, agreements, etc, if necessary, in order to give formal effect to the provisions of this Clause.

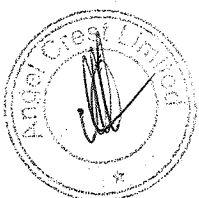
16.2 In addition to the above, all the clients and/ or customers forming part of the Business Undertaking 2 as on the Effective Date and having their accounts with the Depository Participant ID of Transferor Company shall be transferred to the Depository Participant ID of Transferee Company 2.

16.3 Transferee Company 2 shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novation, to which Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. Transferee Company 2 shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of Transferor Company and to implement or carry out all formalities required on the part of the Business Undertaking 2 to give effect to the provisions of this Scheme.

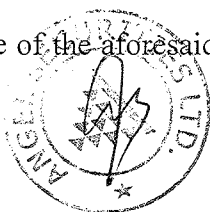
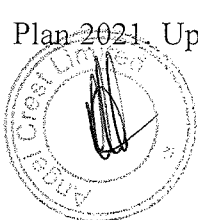
16.4 All guarantees provided by any bank, financial institution, promoters, directors or other third party in favour of the Transferor Company including without limitation guarantees in respect of margin trading facility loans disbursed by the Transferor Company in respect of or in relation to the Business Undertaking 2 that are outstanding as on the Effective Date, shall vest in the Transferee Company 2 and shall ensure to the benefit of the Transferee Company 2 as if the same were issued directly in favour of the Transferee Company 2. All guarantees issued by any bank or financial institution in respect of the obligations of the Transferor Company in respect of or in relation to the Business Undertaking 2 and outstanding on the Effective Date shall be deemed to have been issued at the request of and to guarantee the obligations of the Transferee Company 2 and continue in favour of the relevant third party till its maturity or earlier termination.

17. EMPLOYEES

17.1 Upon the coming into effect of this Scheme, all the employees relating to the Business Undertaking 2 that were employed by the Transferor Company, immediately before the Effective Date, shall become employees of the Transferee Company 2 without any break or interruption of service and with the benefit of continuity of service on terms and conditions which are not less favourable than the terms and conditions as were applicable to such employees relating to the Business Undertaking 2 of the Transferor Company immediately prior to the transfer of such Business Undertaking 2.



- 17.2 The Transferee Company 2 agrees that the service of all employees pertaining to the Business Undertaking 2 with the Transferor Company up to the Effective Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible in the Transferor Company up to the Effective Date. The Transferee Company 2 further agrees that for the purpose of payment of any retrenchment compensation, gratuity, employee stock option and pension schemes, any variables based on the performance or other terminal benefits, such past service with the Transferor Company, shall also be taken into account and agrees and undertakes to pay the same as and when payable
- 17.3 Upon the coming into effect of this Scheme, the Transferee Company 2 shall make all the necessary contributions for such transferred employees relating to their respective Business Undertaking 2, and deposit the same in provident fund, gratuity fund or superannuation fund or any other special fund or staff welfare scheme or any other special scheme. The Transferee Company 2 will also file relevant intimations in respect of their Business Undertaking 2 to the statutory authorities concerned who shall take the same on record and substitute the name of the Transferee Company 2 for the Transferor Company.
- 17.4 In so far as the existing provident fund, gratuity fund and pension and /or superannuation fund/trusts, retirement funds or employees state insurance schemes or pension scheme or employee deposit linked insurance scheme or any other benefits, if any, created by the Transferor Company for employees of the Business Undertaking 2 are concerned, such proportion of the funds, contributions to the funds or the scheme or the investments made into the funds relatable to the employees pertaining to the Business Undertaking 2 as on the Effective Date, who are being transferred along with the Business Undertaking 2 in terms of the Scheme, upon the coming into effect of this Scheme, shall be transferred to the necessary funds, schemes or trusts of the Transferee Company 2 and till the time such necessary funds, schemes or trusts are created by the Transferee Company 2, all contributions shall continue to be made to the existing funds, schemes or trusts of the Transferor Company.
- 17.5 Stock Options:
- i) Upon the effectiveness of the Scheme, notwithstanding anything contained in clause 20 or any other clause of the ESOP 2018 and LTI Plan 2021 of the Transferor Company, all the stock options granted by Transferor Company under the ESOP 2018 and LTI Plan 2021, if existing as of the Effective Date, to the employees relating to Business Undertaking 2, shall continue to be in full force and shall vest, without pro rating the service at the Transferor Company, in accordance with the timelines set out in the ESOP 2018 and LTI Plan 2021 and the employees relating to the Business Undertaking 2, shall continue to get the benefits under the provisions of the ESOP 2018 and LTI Plan 2021, as if they were the employees of the Transferor Company and shall have the right to exercise such stock options in the manner contemplated under the ESOP 2018 and LTI Plan 2021. Upon exercise of the aforesaid options by the said employees from time to



time in accordance with the ESOP 2018 and LTI Plan 2021, the Transferor Company shall continue to honour its obligations under the ESOP 2018 and LTI Plan 2021 with respect to such employees in accordance with the provisions of the ESOP 2018 and LTI Plan 2021.

- ii) The modifications, if any, to the ESOP 2018 and LTI Plan 2021 required to effect the treatment set out at Clause 17.5(i) above shall be effected as an integral part of the Scheme and the approval granted to the Scheme by the shareholders of the Transferor Company shall also be deemed to be their approval to such amendments under Applicable Law and any guidelines/ regulations issued by SEBI and no further approval of the shareholders of the Transferor Company or any other person would be required to be separately obtained in this connection. The ESOP 2018 and LTI Plan 2021 shall be deemed to be amended to give effect to all matters pertaining to the ESOP 2018 and LTI Plan 2021 as described in this Scheme. It is hereby clarified that the modification, if any to ESOP 2018 and LTI Plan 2021 under this Clause 17.5(ii) shall be applicable to all eligible employees classified or to be classified under the ESOP 2018 and LTI Plan 2021.
- iii) Without prejudice to the generality of the above, upon the Scheme coming into effect, the Board of the Transferor Company may take such actions and execute such documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause 17.5, including carrying out necessary amendments to the ESOP 2018 and LTI Plan 2021 without any further approval of the shareholders of the Transferor Company and/ or any other Person.

18. VALIDITY OF EXISTING RESOLUTIONS

Upon the coming into effect of the Scheme, the resolutions, if any, of the Transferor Company relating to the Business Undertaking 2, 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 2.

19. TAXATION

- 19.1 All goods and services tax credits, incentives, benefits, etc. belonging to the Business Undertaking 2 as of the Appointed Date, shall be deemed to be and shall become the assets, rights, title, interest and entitlement of the Transferee Company 2 on and from the Appointed Date, without any further acts, instrument, deeds or things, pursuant to the approval granted by the NCLT to this Scheme in accordance with sections 230 – 232 of the Act. It is hereby clarified that any tax refunds which relate to a period prior to the Appointed Date will belong to the Transferor Company.



19.2 Notwithstanding anything contrary to the foregoing, it is clarified that, all taxes and duties payable by the Transferor Company, accruing and relating to the Business Undertaking 2, including but not limited to tax payments, tax deducted at source, tax collected at source, withholding tax credits, to the extent not transferable, minimum alternate tax any refund and claims existing on the Appointed Date shall, for all purposes, be treated as tax payments, tax deducted at source, tax collected at source, minimum alternate tax or refunds and claims, as the case may be, of the Transferor Company.

20. CONDUCT OF BUSINESS

20.1 During the Implementation Period, the Transferor Company shall operate the Business Undertaking 2 in the ordinary course of business, unless otherwise agreed between the Boards of the Transferor Company and Transferee Company 2. It is hereby clarified that nothing in this clause shall prevent the Transferor Company from (a) taking any action relating to the Business Undertaking 2 which has already been decided prior to the commencement of the Implementation Period or which is in the interest of the Business Undertaking 2; or (b) take any steps with respect to operations or functioning of the Transferor Company or its Remaining Business.

20.2 The Transferee Company 2 shall also be entitled, to apply to the relevant Appropriate Authorities, wherever necessary, for such consents, approvals and sanctions which the Transferee Company 2 may require including the registration, approvals, exemptions, reliefs, etc., as may be required/granted under any Applicable Law for carrying on the Business Undertaking 2 during the Implementation Period.

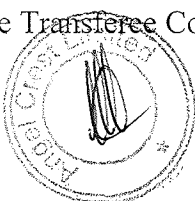
21. CONSIDERATION

21.1 Upon the coming into effect of this Scheme and upon transfer and vesting of the Business Undertaking 2 in the Transferee Company 2 as a going concern on a slump sale basis, in accordance with the terms of the Scheme and pursuant to the provisions of sections 230-232 and other relevant provisions of the Act, the total lump sum consideration payable by the Transferee Company 2 to the Transferor Company for purchase of the Business Undertaking 2 shall be the Purchase Consideration 2 (as defined hereinbefore under clause 1.24).

21.2 The Purchase Consideration 2 payable shall be settled by way of issuance and allotment, to the Transferor Company, CCPS of the Transferee Company 2 at fair value of the CCPS of the Transferee Company 2.

21.3 The CCPS to be issued and allotted by the Transferee Company 2 in terms of Clause 21.2 above shall be subject to the provisions of the memorandum of association and articles of association of the Transferee Company 2.

21.4 The CCPS issued pursuant to Clause 21.2 above shall be issued in the dematerialized form by the Transferee Company 2.



- 21.5 The issue and allotment of CCPS by the Transferee Company 2 to the Transferor Company as provided in Clause 21.2 of this Scheme is an integral part thereof, and shall be deemed to have been carried out pursuant to the provisions of the Scheme as if the procedure laid down under the Act and any other applicable provisions of the Act were duly complied with and will not require any further act or deed or approvals by the Transferee Company 2. Similarly, the subscription to the shares of Transferee Company 2 by the Transferor Company shall be deemed to have been carried out pursuant to the provisions of the Scheme as if the procedure laid down under section 186 of the Act and any other applicable provisions of the Act or SEBI LODR Regulations were duly complied with and will not require any further act or deed or approvals by the Transferor Company either under the Act or the SEBI LODR Regulations.
- 21.6 Under and pursuant to the Scheme, no fractional shares shall be issued by the Transferee Company 2 in respect of the fractional entitlements to the Transferor Company and such fractional entitlement, if any, shall be rounded off to next integer.
- 21.7 Approval of this Scheme by the shareholders of the Transferee Company 2 shall be deemed to be the due compliance with the provisions of the Act and other relevant and applicable provisions of the Act for the issue and allotment of CCPS by the Transferee Company 2, as provided in this Scheme.

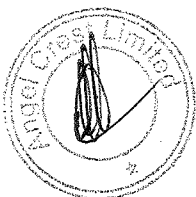
22. ACCOUNTING TREATMENT

22.1 IN THE BOOKS OF TRANSFEROR COMPANY

Notwithstanding anything to the contrary contained in any other clause in the Scheme, the Transferor Company shall account for the transfer of the Business Undertaking 2 to the Transferee Company 2 by applying principles of Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, in its books of accounts with effect from the Appointed Date such that:

- (c) The assets and liabilities of the Business Undertaking 2 of the Transferor Company as appearing in the books of accounts of the Transferor Company shall stand transferred to and vested in the Transferee Company 2 and shall be reduced from the respective book value of assets and liabilities of the Transferor Company. The difference between the assets and liabilities as per this clause is referred to as “Net non-cash assets”.
- (d) The Transferor Company shall recognize additional investment in CCPS received as consideration at an amount equal to the net non-cash assets derecognized as per sub-clause (a) above, subject to impairment assessment as per the requirements of Ind AS.

For accounting purposes, the Scheme will be given effect on the date when all substantial conditions for the transfer of Business Undertaking 2 to the Transferee Company 2 are completed.



Any matter not dealt with in the clauses hereinabove shall be dealt with in accordance with Ind AS applicable to the Transferor Company.

22.2 IN THE BOOKS OF TRANSFEREE COMPANY 2

Notwithstanding anything to the contrary contained in any other clause in the Scheme, the Transferee Company 2 shall account for the transfer of the Business Undertaking 2 by the Transferor Company by applying principles of Ind AS notified under Section 133 of the Companies Act, 2013, under the Companies (Indian Accounting Standard) Rules, 2015, as may be amended from time to time, in its books of accounts with effect from the Appointed Date such that

- (a) With effect from the Appointed Date, Transferee Company 2 shall record all assets and liabilities of the Business Undertaking 2 transferred to it in pursuance of this Scheme at their respective book values as appearing in the books of Transferor Company as on the Appointed Date.
- (b) Difference between the book value of assets and liabilities, so recorded in the books of Transferee Company 2, as reduced by consideration paid/ payable by Transferee Company 2 to Transferor Company, if any, shall be debited/ credited to the capital reserve account of Transferee Company 2.

For accounting purposes, the Scheme will be given effect on the date when all substantial conditions for the transfer of Business Undertaking 2 to the Transferee Company 2 are completed.

Any matter not dealt with in the clauses hereinabove shall be dealt with in accordance with Ind AS applicable to the Transferee Company 2.

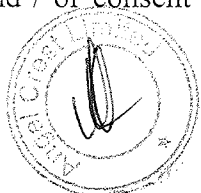
PART IV – GENERAL TERMS AND CONDITIONS

23. **APPLICATION TO COMPETENT AUTHORITY**

Transferee Company 1, Transferee Company 2 and Transferor Company shall with all reasonable dispatch make all necessary applications under the Act and other applicable provisions of the Act to the Competent Authority for seeking approval of the Scheme.

24. **MODIFICATION OR AMENDMENTS TO THE SCHEME**

Transferee Company 1, Transferee Company 2 and Transferor Company by their respective Boards of Directors ('the Board', which term shall include Committee thereof), may assent to / make and / or consent to any modifications / amendments to the Scheme or to any



conditions or limitations that the Competent Authority and / or any other authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events, change in law or otherwise by them (i.e. the Board). Transferee Company 1, Transferee Company 2 and Transferor Company by their respective Board are authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any directive or Orders of any other authorities or otherwise howsoever, arising out of or under or by virtue of the Scheme and / or any matter concerned or connected therewith.

25. CONDITIONALITY OF THE SCHEME

25.1 This Scheme is and shall be conditional upon and subject to:

25.1.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of Transferee Company 1, Transferee Company 2 and Transferor Company as may be directed by the Competent Authority.

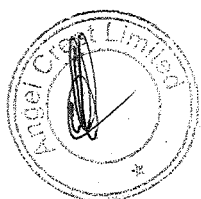
25.1.2 The necessary approvals from relevant market infrastructure intermediaries and regulators as may be required.

25.1.3 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 vote 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.

25.1.4 Transferor Company, Transferee Company 1 and Transferee Company 2 shall comply with all requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulation') and all the statutory directives of SEBI/ NSE/ BSE/ NCLT in so far as they relate to sanction and implementation of this Scheme.

25.1.5 The sanction of the Competent Authority under the provisions of the Act in favour of Transferee Company 1, Transferee Company 2 and Transferor Company under the said provisions and to the necessary Order under the provisions of the Act being obtained.

25.1.6 Certified or authenticated copy of the Order of the Competent Authority sanctioning the Scheme being filed with the Registrar of Companies at Maharashtra by Transferee Company 1, Transferee Company 2 and Transferor Company, respectively as may be applicable.



25.1.7 The requisite(s), consent(s), approval(s) or permission(s) of statutory or regulatory authority(s) including Stock Exchanges, which by law may be necessary for the implementation of this Scheme, being obtained in accordance with the Scheme.

26. EFFECT OF NON-RECEIPT OF PERMITS AND MATTERS RELATING TO WITHDRAWAL OF THIS SCHEME

26.1 The Transferor Company, the Transferee Company 1 and the Transferee Company 2 acting through their respective Boards shall each be at liberty to withdraw from this Scheme: (a) in case any condition or alteration imposed by any Appropriate Authority or on account of any change in law is unacceptable to any of them; or (b) they are of the view that coming into effect of the respective parts to this Scheme could have adverse implications on the respective companies.

26.2 In the event of any of the said sanctions and approvals referred to in the preceding Clause 25 not being obtained and/ or the Scheme not being sanctioned by the Competent Authority failing which this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

27. REMAINING BUSINESS

The Remaining Business and all assets, liabilities, obligations pertaining thereto shall continue to belong to and continue to be vested in and be managed by the Transferor Company.

28. COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company, the Transferee Company 1 and the Transferee Company 2 arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by Transferor Company.

