

SCHEME OF AMALGAMATION
OF
MOTOROLA MOBILITY CHENNAI PRIVATE LIMITED - “TRANSFEROR COMPANY”
WITH
MOTOROLA MOBILITY INDIA PRIVATE LIMITED - “TRANSFeree COMPANY”
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

**Under the provisions of Section 230 to Section 232 and other applicable provisions of
the Companies Act, 2013 and Rules framed thereunder**

PARTS OF THE SCHEME

The Scheme is divided into the following parts:

- | | |
|-----------------|--|
| Part I | Preamble, Description of the Companies and Rationale of the Scheme |
| Part II | Definitions and Share Capital |
| Part III | Mechanics of the Scheme and contains Amalgamation of Transferor Company
with Transferee Company |
| Part IV | General Terms and Conditions applicable to the Scheme |

PART I

PREAMBLE, DESCRIPTION OF THE COMPANIES AND RATIONALE OF THE SCHEME

1. PREAMBLE

- 1.1. This Scheme of Amalgamation (“**the Scheme**”) is presented pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force) for amalgamation of Motorola Mobility Chennai Private Limited (“**MMCPL**” or “**Transferor Company**”) with Motorola Mobility India Private Limited (“**MMIPL**” or “**Transferee Company**”) and section 2(1B) and other related provisions of the Income-tax Act, 1961 (“IT Act”).
- 1.2. As on the date of filing of this Scheme, the Transferor Company and Transferee Company are held by common shareholders i.e., Motorola Mobility Netherlands Two B.V. (majority shareholder) and Motorola Mobility International Capital LLC (minority shareholder).
- 1.3. This Scheme deals with the details of process of amalgamation, transfer and vesting of assets and liabilities, consideration, accounting treatment, increase in the share capital and also provides for various other matters consequential to or otherwise integrally connected herewith.

2. DESCRIPTION OF THE COMPANIES

Motorola Mobility Chennai Private Limited, Transferor Company is a private limited company incorporated under the provisions of the Companies Act, 1956 bearing Corporate Identification Number (“CIN”) U32109KA2009PTC176328 and having its registered office at Unit No. 2, Fourth Floor, Roach Icon, Survey No.28 and 36/5, Doddanakundi Village, Next to Akme Ballet, K. R. Puram Hobli, Outer Ring Road, Bangalore-560037, Karnataka, India. MMCPL was incorporated on 20 July 2009, as private company, with the name ‘PK Device Developers Private Limited’, which was changed to its present name on 26 March 2010.

MMCPL was incorporated with the following main objects: to carry on the business of development, trading, manufacture, import, export or otherwise deal in all kinds of electronic devices including mobile handsets, mobile accessories, software for mobiles and also to set up operations in Special Economic Zones, Industrial Estates, Industrial parks or other industrial zones. In view of the above objects, MMCPL was engaged in the business of manufacture, sale, supply and distribution of telecommunication equipment and its related accessories through its manufacturing facilities located in the Special Economic Zone, in Chennai.

The Transferor Company is not registered under Section 8 of the Companies Act, 2013 (Section 25 of the Companies Act, 1956). The Transferor Company has not listed its equity shares on any recognized stock exchanges, therefore, the Transferor Company is an unlisted company under the provisions of the Companies Act, 2013.

- 2.1. **Motorola Mobility India Private Limited, Transferee Company** is a private limited company incorporated under the provisions of the Companies Act, 1956 and duly existing under the Companies Act, 2013 having its registered office at Bagmane Tech Park, No. 66/1, Plot No. 5, 5th Floor, CV Raman Nagar, Bengaluru – 560 093, Karnataka, India. MMIPL was incorporated on 20 July 2009 as private company, limited by shares, bearing CIN U32204KA2009PTC112722 with the name 'PK Mobile Devices India Private Limited', which was changed to its present name on 26 March 2010.

MMIPL was incorporated with the following main objects: to research, design, engineer, develop, assemble, manufacture, fabricate, service, repair, replace, exchange, maintain, procure, buy, sell, market, promote, distribute, import, export, otherwise to trade/ deal in mobile handsets, radio and wireless telecommunications, equipment of every description, electrical, electronic equipment and related intellectual property software and accessory products and to provide all support and maintenance services in relation to the above.

In view of the above objects, MMIPL is primarily engaged in the business of trading of mobile phones and providing research and development services to its group entities.

The Transferee Company is not registered under Section 8 of the Companies Act, 2013 (Section 25 of the Companies Act, 1956). The Transferee Company has not listed its securities or debt instruments on any recognized stock exchanges, therefore, the Transferee Company is an unlisted company under the provisions of the Companies Act, 2013.

This comprehensive Scheme provides for the amalgamation of Transferor Company with and into Transferee Company, pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013 and applicable rules (the "Amalgamation"). Further, this Amalgamation of Transferor Company shall take effect from the Appointed Date (as defined hereinafter) and shall be in accordance with the provisions of Section 2(1B) of the IT Act.

Hereinafter, the Transferor Company and Transferee Company are individually referred to as a "**Party**" and collectively referred to as "**Parties**".

3. OBJECTIVES AND RATIONALE OF THE SCHEME

- 3.1. The Transferor Company and the Transferee Company are held by common shareholders i.e., Motorola Mobility Netherlands Two B.V. (majority shareholder) and Motorola Mobility International Capital LLC, USA (minority shareholder) as on the date of filing this Scheme of Merger.
- 3.2. The Parties wish to consolidate and operate minimal entities with an intent to accelerate the business, and to streamline the operating structure and accordingly the Transferor Company is proposed to be amalgamated with the Transferee Company through this Scheme.
- 3.3. In addition, this Amalgamation would benefit the Shareholders by engaging and dealing with a 'single' entity i.e., Transferee Company, leading to commitment and better functioning of business.
- 3.4. It is expected that the integration, consolidation, and amalgamation of the Transferor Company with the Transferee Company would, inter-alia entail the following benefits:
 - (i) Create a simplified group and business structure;
 - (ii) Achieve greater efficiency and centralized management of funds which can be deployed more efficiently to fund larger projects with a stronger platform and strengthen brand visibility;
 - (iii) Elimination of multiplicity of companies leading to synergies in operations, achieving efficiencies and economies of scale and reduction in operational costs, overheads, administrative and other expenditure;
 - (iv) Enable regulatory/ procedural compliances being made by a single unified company, thus resulting in cost saving and saving in fees which were otherwise being required to be paid separately by each of the parties for making various statutory and regulatory compliances and for such other purposes; and
 - (v) Enable pooling of resources of the Transferor Company with the resources of the Transferee Company to its advantage, resulting in more productive utilization of said resources, and cost and operational efficiencies which would be beneficial to all stakeholders.
- 3.5. In view of the aforesaid, the Board of Directors of the Transferor Company and the Transferee Company have considered and proposed the amalgamation for the transfer and vesting of the Transferor Company with and into the Transferee Company and other matters herein, and that amalgamation would benefit the shareholders, creditors, employees and other stakeholders of the Transferor Company and the Transferee Company.

The Scheme is between the Transferor Company and the Transferee Company and their respective shareholders and creditors and does not intend any debt restructuring or compromise arrangement with any of their respective creditors.

(This space has been intentionally left blank)

PART II

DEFINITIONS AND SHARE CAPITAL

4. DEFINITIONS

- 4.1. **“Act” or “the Act”** means the Companies Act, 2013 and the Rules and Regulations made thereunder and shall include any statutory modifications, re-enactment, or amendment thereof for the time being in force.
- 4.2. **“Amalgamation” or “Merger”** shall mean the amalgamation or merger of the Transferor Company with the Transferee Company pursuant to the sections 230 to 232 and other relevant provisions of the Act, as contemplated under this Scheme.
- 4.3. **“Appointed Date”** means the last day of the month in which approval or exemption from the Central Government in terms of Press Note 3 of 2020 series is received post receipt of certified true copy of order of the Hon’ble National Company Law Tribunal sanctioning the scheme or if Press Note 3 of 2020 approval requirements are withdrawn or exempted for the Companies before the scheme is sanctioned by the Hon’ble National Company Law Tribunal, then the last day of the month in which certified true copy of order passed by the National Company Law Tribunal sanctioning the scheme is received.
- 4.4. **“Appropriate Authority”** means any Governmental Authority including NCLT, income-tax authorities, Reserve Bank of India, Ministry of Commerce or Industry – Department of Promotion of Industry and Industry Trade and other applicable authorities pursuant to the provisions of Section 230(5) of the Act, as may be relevant in the context.
- 4.5. **“Board of Directors” or “Board”** means the respective Board of Directors of the Transferor Company and the Transferee Company.
- 4.6. **“Companies”** means Motorola Mobility Chennai Private Limited and Motorola Mobility India Private Limited, collectively.
- 4.7. **“Effective Date”** means appointed date as defined in the scheme. Any reference in the Scheme to “On the Scheme becoming effective” or “Upon the Scheme becoming effective” or “Effectiveness of the Scheme” shall refer to the “Effective Date”.
- 4.8. **“Encumbrance”** shall mean options, pledge, hypothecation, mortgage, lien, security interest, claim, charge (whether fixed or floating), assignment, deed of trust, pre-emptive right, easement, limitation, attachment, restraint security interest or any other encumbrance of any kind or nature whatsoever, and the term **“Encumbered”** shall be construed accordingly.

- 4.9. **“Governmental Authority”** means any Indian central, state, or local government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau, instrumentality, judicial or arbitral body having jurisdiction.
- 4.10. **“Goods and Service Tax” or “GST”** means Goods and Service Tax, 2017 including any statutory rules, modifications, re-enactments, or amendments thereof for the time being in force.
- 4.11. **“Income Tax Act” or “IT Act”** means the Income Tax Act, 1961, including any statutory rules, modifications, re-enactments, or amendments thereof for the time being in force.
- 4.12. **“Law” or “Applicable Law”** includes all applicable statutes, enactments, acts of legislature or Parliament, laws, ordinances, rules, byelaws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, NCLT, Board, Court of India or any other country or jurisdiction as applicable.
- 4.13. **“MCA”** means the Ministry of Corporate Affairs, Government of India.
- 4.14. **“NCLT” or “Tribunal”** means the National Company Law Tribunal, having jurisdiction over the Transferor Company and Transferee Company, constituted under the Companies Act, 2013 and authorized as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise, or reconstruction of Company under Section 230 to 232 of the Companies Act, 2013.
- 4.15. **“Official Liquidator” or “OL”**: means Official Liquidator having jurisdiction over the Transferor Company and Transferee Company.
- 4.16. **“Registrar of Companies” or “ROC”** means the Registrar of Companies, Karnataka, India.
- 4.17. **“Rules”** means the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and shall include any statutory modifications, re-enactment or amendment thereof for the time being in force.
- 4.18. **“Scheme” or “Scheme of Amalgamation”** means this Scheme for Amalgamation of Transferor Company with Transferee Company under Sections 230-232 of the Companies Act, 2013 as approved by the Board of Directors of both the Companies in its present form and with any modifications and amendment, if any as may be made from time to time and with appropriate approvals of relevant Governmental Authority and subject to sanction of the Ministry of Corporate Affairs and other relevant regulatory authorities as may be required under Companies Act, 2013 and all other applicable laws.
- 4.19. **“Transferee Company”** means Motorola Mobility India Private Limited.

- 4.20. **“Transferor Company”** means Motorola Mobility Chennai Private Limited.
- 4.21. **“Undertaking”** means the entire business and whole of the undertakings of the Transferor Company as a going concern, including and not limited to all its assets, rights, licenses, powers, and all its debts outstanding, liabilities, duties, obligations, contracts as on the Appointed Date, and shall include (without limitation):
- a) All the assets and properties of the Transferor Company, including deposits, loans and advances (whether tangible or intangible assets real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature), including, without limitation, all structures, estates, plants, machinery, equipment, leasehold improvements, buildings and structures, offices, capital work-in-progress, furniture, fixtures, office equipment, computers, inventories, sundry debtors, credits, deposits, loans and advances (whether recoverable in cash or in kind for value to be received), investments of all kinds, cash and cash equivalents, bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), hire purchase contracts, rights and benefits under any agreement, contracts and arrangements and all other interests in connection with or relating to the Transferor Company, whether or not included in the books of accounts, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favor of or enjoyed by the Transferor Company, whether in India or abroad.
 - b) All debts, borrowings, obligations, duties and liabilities, both present and future, contingent liabilities and liabilities or obligations under any licenses or permits or schemes of every kind, of whatsoever nature and description and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Indian rupees or foreign currency, whether provided for or not in the books of account or disclosed in the balance sheet of the Transferor Company as at the Appointed Date.
 - c) All Contracts including material contracts, agreements, licenses, registrations, memoranda of understanding, memoranda of agreements, memoranda of agreed points, letters of agreed points, agreed term sheets, arrangements, understandings, whether written or otherwise, deeds, bonds, schemes, arrangements, sales orders, purchase orders, job orders, right of way, tenancy rights, liberties, special status or other instruments, benefits of any guarantees, reversions, powers and all other approvals of every kind of whatsoever nature to

which the Transferor Company is a party, exclusively relating to this Undertaking or otherwise identified to be for the benefit of the same.

- d) All permits, quotas, rights, claims, entitlements, registrations, industrial and other licenses and approvals, authorities, letters of intent, letter of approval, development rights (whether vested or potential and whether under agreements or otherwise), municipal permissions, approvals, plans, consents, transferable development rights, rights under any agreements entered with parties, privileges, income tax benefits and exemptions, indirect tax credits including not limited to Goods & Service Tax credits, CENVAT credits, FTP, central sales tax or state value added tax credits, excise duty, advance tax payments, receivables in relation to tax deducted at source, minimum alternate tax credits, reserves, business losses and unabsorbed depreciation carried forward as per the provisions of IT Act, book losses and unabsorbed depreciation, all other rights including tax deferrals and exemptions and other benefits, receivables, and liabilities related thereto pertaining to any of the existing or erstwhile tax and regulatory provisions, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company.
- e) All benefits, entitlements, incentives and concessions under incentive schemes and policies, subsidy receivables from Government, grants from any Appropriate Authority to the extent statutorily available to the Transferor Company, along with associated obligations.
- f) Right to any claim not presented or made by the Transferor Company whether recorded in books or not, in respect of refund of any tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by any Governmental Authority, and in respect of set-off, carry forward of unabsorbed losses, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the IT Act, respective indirect tax acts, or taxation laws of any state, or taxation laws of other countries, or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India, or anywhere outside India.
- g) All staff, workmen and employees, if any, engaged in the business or in connection with the Transferor Company, and on the rolls of the Transferor Company on the closing hours of the date immediately preceding the Effective Date.
- h) All other liabilities and obligations of the Transferor Company of whatsoever kind including liabilities with regard to the employees of the Transferor Company with respect to the payment of gratuity, employee state insurance, pension, benefits

and provident fund or compensation, if any, in the event of resignation, death, voluntary retirement or retrenchment.

- i) All civil, criminal, revenue, taxation or other proceedings, enquiries or investigations of whatsoever nature initiated by or against the Transferor Company or to which the Transferor Company is otherwise a party, whether pending as on the Appointed Date or instituted any time thereafter (hereinafter referred to as "Proceedings");
- j) All books, records, files, papers, information, programs, manuals, sales material, list of customers and suppliers, databases, and all other books and records, whether in physical or electronic form, of the Transferor Company.

It is intended that the definition of Undertaking under this Clause would enable the transfer of all property, assets, rights, duties, employees, and liabilities of the Transferor Company into the Transferee Company pursuant to this Scheme.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as ascribed to them under the Act and other applicable laws, rules, regulations, and byelaws as the case may be, including any statutory modification or re-enactment thereof from time to time.

5. SHARE CAPITAL

5.1. The capital structure of the Transferor Company as at 31 March 2023 is as follows:

Particulars	Amount in Rs.
Authorized Share Capital	
1,50,000 Equity shares of Rs. 10 each	15,00,000
Total	15,00,000
Issued, subscribed and paid-up Share Capital	
75,177 Equity shares of Rs. 10 each, fully paid up	7,51,770
Total	7,51,770

Subsequent to 31 March 2023, there has been no change in the Authorized, Issued, Subscribed and Paid-up Capital of the Transferor Company.

5.2. The capital structure of the Transferee Company as at 31 March 2023 is as follows:

Particulars	Amount in Rs.
Authorized Share Capital	
50,000 Equity shares of Rs. 10 each	5,00,000
Total	
Issued, subscribed and paid-up Share Capital	
10,000 Equity shares of Rs. 10 each, fully paid up	1,00,000
Total	1,00,000

Subsequent to 31 March 2023, there has been no change in the Authorized, Issued, Subscribed and Paid-up Capital of the Transferee Company.

PART III

AMALGAMATION OF TRANSFEROR COMPANY WITH TRANSFEREE COMPANY

6. TRANSFER AND VESTING OF UNDERTAKING

- 6.1. At and after the Appointed Date and upon the Scheme becoming effective, the whole of the Undertaking shall pursuant to the provisions of Sections 230 to 232 of the Act and the orders received from the NCLT ("Orders"), the Rules and other applicable rules, and pursuant to the sanction of the Scheme by NCLT, stand amalgamated with and vested in the Transferee Company, as a going concern, without any further act or instrument, together with all the properties, assets, rights, liabilities, benefits and interests therein by virtue of and in the manner provided in this Scheme.
- 6.2. Without prejudice to the generality of the foregoing and to the extent applicable, unless otherwise stated herein, upon the Scheme becoming effective, on and from the Appointed Date, the mode and manner of vesting referred to in 6.1 above, shall be as under:

6.2.1 TRANSFER OF ASSETS

- a) All assets, properties, tangible or intangible, licenses, franchises, rights, privileges, permits, entitlements, registrations, allotments, approvals, consents, concessions, trade mark licenses, no objection certificates required to carry on the business of the Transferor Company, copyrights and their right to use available to the Transferor Company as on the Appointed Date shall get transferred to the Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities.
- b) With effect from the Appointed Date and upon the Scheme becoming effective, all Certificate of Registrations and Approval Letters/ Orders as available with Transferor Company as on the Appointed Date shall get transferred to Transferee Company without any further instrument, deed or act or payment of any further fee, charge, or securities.
- c) With effect from the Appointed Date and upon the Scheme becoming effective, all the assets of the Transferor Company as are movable in nature including, sundry debtors, outstanding loans and advances, advance tax, Minimum Alternate Tax (MAT) set-off rights, tax losses and unabsorbed depreciation set-off rights, pre-paid taxes (including taxes deducted at source), levies/liabilities, Tax deduction or any other benefit available under the IT Act, including but not limited to Tax deduction available on payment of certain expenses, CENVAT/ Central Sales Tax or State Value added tax credits, GST credits, benefits/ credits available under excise or customs duty regulations benefits receivable from Government or

Statutory or Regulatory authorities such as duty drawback, incentives, rebates etc., if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons or any other assets otherwise capable of transfer by physical delivery, would get transferred by physical delivery only and all others assets would get transferred by endorsement and delivery, by vesting and recordable pursuant to this Scheme, shall stand vested in Transferee Company, and shall become the property and an integral part of the Transferee Company without any further instrument, deed or act or payment of any further fee, charge or securities.

- d) With effect from the Appointed Date and upon the Scheme becoming effective, all permits, quotas, rights, bonds, guarantees provided, incentives or subsidies, entitlements, licenses including those relating to trademarks, tenancies, patents, copyrights, privileges, software, powers, facilities of every kind and description of whatsoever nature in relation to Transferor Company to which Transferor Company is a party or to the benefit of which Transferor Company may be eligible and which are subsisting, shall be enforceable as fully and effectually as if, instead of Transferor Company, Transferee Company had been a party or beneficiary or obligee thereto.
- e) With effect from the Appointed Date and upon the Scheme becoming effective, all incorporeal properties of the Transferor Company as on Appointed Date, shall get transferred to Transferee Company without any further instrument, deed or act or payment of any further fee, charge, or securities.

6.2.2 TRANSFER OF DEBTS AND LIABILITIES

- a) With effect from the Appointed Date and upon the Scheme becoming effective, all debts, liabilities, contingent liabilities, trade payables, loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to any liability in whatever form), duties and obligations whether provided for or not in the books of accounts or disclosed in the balance sheets of Transferor Company, shall, without any further act, instrument or deed be transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of Sections 230 to 232 of the Act, so as to become the liabilities of the Transferee Company and further that it shall not be necessary to intimate or obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen, in order to give effect to the provisions of this Clause.

- b) Without prejudice to the generality of the above, at and after the Appointed Date:
- (i) All Liabilities of the Transferor Company, shall, pursuant to the provisions the Companies Act, to the extent they are outstanding as on the Effective Date, without any further act, instrument or deed, stand transferred to and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations, etc., as the case may be, of the Transferee Company and shall be enforceable against the Transferee Company, as if it had incurred such Liabilities.
 - (ii) The Transferee Company alone shall be liable to discharge and satisfy the Liabilities as the borrower/creditor in respect thereof.
 - (iii) This Scheme shall not operate to enlarge or extend the security for any of the Liabilities and the Transferee Company shall not be obliged to create any further or additional securities in respect of such Liabilities after the Effective Date, unless otherwise agreed to by the Transferee Company with such secured creditors and subject to the consent and approval of the existing secured creditors of the Transferee Company, if any. Further, this Scheme shall not operate to enlarge or extend the security for any debt, loan, deposit, credit or other facility availed by the Transferee Company, in as much as the security shall not extend to any of the Assets forming part of the Undertaking.
 - (iv) In so far as the existing security in respect of the Liabilities is concerned, such security shall, without any further act, instrument or deed, be modified and shall be extended to and shall operate only over the Assets, which have been charged and secured and subsisting as on the Effective Date, provided that if any of such Assets have not been charged or secured in respect of the Liabilities, such Assets shall remain unencumbered and the existing security referred to above shall not be extended to and shall not operate over such Assets.
 - (v) Subject to Applicable Laws, it shall not be necessary to obtain the consent of any third party or other person, who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this clause.
 - (vi) It is expressly provided that, save as mentioned in this clause, no other term or condition of the Liabilities is being modified by virtue of this Scheme, except to the extent that such amendment is required by necessary implication.
 - (vii) The Liabilities, if any, due or which may at any time in the future become due only inter-se the Transferor Company and the Transferee Company, shall stand cross discharged and cancelled and there shall be no liability on either

company in that behalf and corresponding effect shall be given in the books of accounts and records of the Transferee Company, in accordance with Part III of this Scheme.

- (viii) The Scheme shall not in any manner affect the rights and interests of the creditors of the Transferor Company or be deemed to be prejudicial to their interests and in particular the secured creditors of the Transferor Company (if any) shall continue to enjoy and hold charge upon their respective securities and properties without any change.

6.2.3 TRANSFER OF CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- (i) Upon the coming into effect this Scheme and with effect from the Appointed Date and subject to other provisions contained in this Scheme all contracts, deeds, agreements, arrangements, assurances and other instruments of whatsoever nature to which the Transferor Company are party to or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date shall be in full force and effect against or in favor of the Transferor Company and may be enforced as fully and effectually as if instead of the Transferor Company, the Transferee Company had been the party thereto or the beneficiary or oblige thereof.
- (ii) The Transferee Company shall, if so, required under the laws in force or become necessary, enter into and/or issue and / or execute deeds, writings, or confirmation in order to give formal effect to the provisions of this Scheme. Further, upon this Scheme coming into effect and with effect from the Appointed Date, the Transferee Company shall be deemed to be authorized to execute any such deeds, writings, or confirmation on behalf of the Transferor Company and all the formalities required on the part of the Transferor Company to give effect to the provisions of the Scheme.
- (iii) In relation to the assets, properties and rights including rights arising from contracts, deeds, instruments, and agreements, if any, belonging to the Transferor Company, which by reason of any special law or regulation require separate documents for transfer including documents for attornment or endorsement, as the case may be, the Transferor Company shall execute such separate documents, as and when required by the Transferee Company.
- (iv) From the Effective Date until such time that the names of the respective bank accounts, demat accounts (if any) of the Transferor Company are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the respective bank accounts and demat accounts of the

Transferor Company, in their respective names, in so far as may be necessary.

- (v) All cheques and other negotiable instruments, payment orders received in the name of the Transferor Company at and after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company. Similarly, the banker of the Transferee Company shall honor cheques issued by the Transferor Company for payment at or after the Appointed Date as presented upon the scheme becoming effective.

6.2.4 TRANSFER OF EMPLOYEES

On the Scheme becoming effective, all the executives, staff, workmen, and other employees, if any, in the payroll of the Transferor Company as on the Effective Date shall become the executives, staff, workmen, and other employees of the Transferee Company, on the basis that:

- (a) All staff, workmen, employees engaged with the Transferor Company shall become the staff, workmen and employees of the Transferee Company, and, subject to the provisions hereof, on terms and conditions not less favorable than those on which they are engaged by the Transferor Company, subject to the terms and conditions or People Policies of the employees of the Transferee company, without any interruption or break of service as a result of the amalgamation of Transferor Company into the Transferee company. The Transferee Company further agrees that for the purpose of payment of any retrenchment compensation, compensated absences, etc., if any, such past services with the Transferor Company shall also be taken into account. Transferee Company undertakes to continue to abide by agreement/settlement, if any, entered into by Transferor Company with any union/employee thereof.
- (b) The services of such employees, staff, workmen shall not be treated as having been broken or interrupted for the purpose of Provident Fund or Gratuity or Superannuation or any other incentive or privilege basis internal policies of Transferor/ Transferee Company or the Group or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Transferor Company.
- (c) It is provided that as far as the Provident Fund, Gratuity Fund and Pension and/ or Superannuation Fund or any other special fund created or existing for the benefit of the staff, workmen and other employees of the Transferor Company ("Funds or Trusts") are concerned, upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company in respect of the employees transferred with the Undertaking for all purposes whatsoever relating to the administration or operation of such Funds or Trusts or in relation to the obligation to make contribution to the said Funds or Trusts in

accordance with the provisions of such Funds or Trusts as provided in the respective deeds or other documents. It is the aim and the intent of the Scheme that all the rights, duties, powers, and obligations of the Transferor Company in relation to such Funds or Trusts shall become those of the Transferee Company. The trustees including the Board of Directors of the Transferor Company and the Transferee Company shall be entitled to adopt such course in this regard as may be advised provided however that there shall be no discontinuation or breakage in the services of the employees of the Transferor Company. The existing Funds or Trusts, if any, created by Transferor Company for their employees shall be continued on terms and conditions not less favorable than those on which they are engaged by the Transferor Company.

- (d) Notwithstanding the aforesaid, the Board of Transferee Company, if it deems fit and subject to Applicable Law, shall be entitled to:
 - i. Retain separate trusts or funds within the Transferee Company for the erstwhile fund(s) of the Transferor Company; or
 - ii. Merge the pre-existing funds of the Transferor Company with other similar funds of the Transferee Company

6.2.5 LEGAL PROCEEDINGS

- (a) With effect from the Appointed Date, Transferee Company shall bear the burden and the benefits of any legal or other Proceedings initiated by or against Transferor Company.
- (b) Provided however, all legal, administrative, inspection, investigation, adjudication or any other Proceedings of whatsoever nature by or against Transferor Company pending in any court or before any Governmental Authority, judicial, quasi-judicial or administrative, any adjudicating authority and/or arising after the Appointed Date and relating to Transferor Company or its respective properties, assets, liabilities, duties and obligations shall be continued and/or enforced until the Effective Date by or against Transferor Company; and from the Effective Date, shall be continued and enforced by or against Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against Transferor Company.
- (c) If any suit, writ, appeal, inspection, investigation, adjudication or any other proceedings of whatever nature by or against Transferor Company be pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the transfer of the Transferor Company's businesses and undertakings or of anything contained in this scheme but the proceedings may be continued, prosecuted and enforced by or against Transferee Company in the same manner and to the same extent as it would or might have been continued,

prosecuted and enforced by or against Transferor Company as if this Scheme had not been made.

6.2.6 TAXATION AND OTHER MATTERS

- (a) Upon the Scheme becoming effective, all taxes/ cess/ duties, direct and/or indirect, payable by or on behalf of the Transferor Company from the , including all or any refunds and claims, including refunds or claims pending with Governmental Authority and including the right to claim credit minimum alternate tax credit in accordance with the provisions of Section 115JAA of the Income Tax Act, 1961, if any, right for any tax allowances/ deductions (including tax holiday benefits), of the Transferor Company, shall, for all purposes, be treated as the tax/ cess/ duty, liabilities or refunds, claims allowances/ deductions of the Transferee Company.
- (b) The tax deducted at source (“TDS”)/advance tax and self- assessment tax paid, if any, by the Transferor Company under the Income-tax Act, 1961 or any other statute in respect of income of the Transferor Company assessable for the period commencing from the Appointed Date shall be deemed to be the tax deducted, advance tax and self-assessment tax paid by the Transferee Company and credit for the same shall be allowed to the Transferee Company notwithstanding that certificates or challans for TDS and tax payments made are in the name of the Transferor Company and not in the name of the Transferee Company.
- (c) The Transferee Company shall be entitled to, amongst others, file income tax return under the relevant provisions of the Income Tax Act by giving effect to the merger approved by the NCLT and approval granted by the regulatory authorities under Press Note – 3 (as applicable) for the period after the Appointed Date, consequent to implementation of this Scheme and where necessary to give effect to this Scheme, notwithstanding that the time prescribed for such compliance may have elapsed. The modified return of income (if any) to be filed by the Transferee Company under section 170A of the Income-tax Act, 1961 may be filed within a period of 6 months from the end of the month in which requisite approval under Press Note -3 is received.
- (d) The income tax, if any, paid by the Transferor Company on or after the Appointed Date, in respect of income assessable from the said date, shall be deemed to have been paid by or for the benefit of the Transferee Company. The Transferee Company shall, after the Effective Date, be entitled to file the relevant returns (including income-tax returns, TDS returns, sales tax returns & CENVAT returns, service tax returns, excise tax returns, value added tax returns, Goods and Service tax, custom duty returns and other tax returns) with the authorities concerned for the period after the Appointed Date notwithstanding that the period for filing such return may have elapsed. Further, the Transferee Company shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by the Transferor Company for any year, if so necessitated or otherwise required

consequent to this Scheme notwithstanding that the time prescribed for such revision may have elapsed.

- (e) Upon the Scheme becoming effective, Transferee Company is expressly permitted to claim refunds/ credits on account of service tax/ value added tax/ Goods and Service Tax in accordance with the Service Tax/ VAT/ new Goods and Service Tax Rules. Any refund, under the IT Act and laws in relation to excise duty, entry tax, customs, foreign trade policy, GST, central sales tax or state value added taxes, CENVAT credits, State or Central industrial and incentive policies and schemes or other Applicable Laws or regulations dealing with taxes or duties or levies due to Transferor Company consequent to the assessment made on Transferor Company (including any refund for which no credit is taken in the accounts of the Transferor Company) for which credit may or may not have been taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company upon this Scheme becoming effective.
- (f) Upon the Scheme becoming effective, the CENVAT credits/unutilized service tax/ value added tax /Goods and Service Tax credits, if any, relating to the taxes paid on input services availed by the Transferor Company shall be transferred to the credit of the Transferee Company, as if all such unutilized credits were lying to the account of the Transferee Company. The Transferee Company shall accordingly be entitled to set off all such unutilized credits against the service tax/ value added tax/ Goods and Service Tax payable by it, without limitation.
- (g) All tax assessment/ adjudication proceedings/ appeals of whatsoever nature by or against the Transferor Company pending and/ or arising at the Appointed Date and relating to the Transferor Company shall be continued and/ or enforced until the Effective Date by the Transferor Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- (h) Part III of this Scheme dealing with Amalgamation of the Transferor Company with the Transferee Company has been drawn up to comply with the conditions relating to “Amalgamation” as specified under the income tax law, specifically Section 2(1B) of the IT Act and other relevant provisions of the IT Act. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at a later date including resulting from an amendment of law with retrospective effect or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section of the IT Act shall prevail and the Scheme shall stand modified to the extent determined necessary

to comply with Section 2(1B) of the IT Act and other relevant provisions of the IT Act. Such modification will however not affect the other parts of the Scheme.

- (i) All expenses incurred by the Transferor Company but where deduction is to be claimed on payment basis / on compliance with withholding tax provisions (as the case may be) under Sections 43B, 40(a)(i) and 40(a)(ia) of the IT Act (if any), input tax credit available under GST Act, pertaining to the period(s) post Appointed date shall be treated as the liability or refunds / claim(s) / credit(s), as the case may be, of the Transferee Company.
- (j) All intangible assets belonging to but not recorded in the books of account of the Transferor Company and all intangible assets arising or recorded in the process of the amalgamation in books of account of Transferee Company shall, for all purposes, be regarded as an intangible asset in terms of Explanation 3(b) to Section 32(1) of the IT Act and Transferee Company shall be eligible for depreciation on the same at the prescribed rates with effect from the Appointed Date.
- (k) All the expenses incurred by the Transferor Company and the Transferee Company in relation to the Amalgamation as per this Scheme, including stamp duty expenses if any, shall be allowed as deduction to the Transferee Company in accordance with Section 35DD of the IT Act over a period of 5 years with effect from the Appointed Date.
- (l) Upon the Scheme becoming effective, since each of the permissions, approvals, consents, sanctions, remissions, special reservations, incentives, concessions, and other authorizations of Transferor Company shall stand transferred by the order the NCLT to Transferee Company, Transferee Company shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning NCLT.
- (m) Upon the coming into effect of this Scheme, all tax compliances under any tax laws by the Transferor Company on or after Appointed Date shall be deemed to be made by the Transferee Company.

7. CONDUCT OF BUSINESS OF THE TRANSFEROR COMPANY

- (a) The Transferor Company shall carry on and be deemed to have carried on the business and activities in relation to the Undertaking and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the entire business and undertaking for and on account of or on behalf of and in trust for the Transferee Company.
- (b) All the profits or income accruing or arising to the Transferor Company or expenditure, or losses arising or incurred by the Transferor Company shall for all purposes be treated and deemed to be accrued as the profits or income or

expenditure or losses (as the case may be) of the Transferee Company.

- (c) The Transferor Company shall carry on the business and activities of whole Undertaking with reasonable diligence and business prudence in the same manner as they had been doing hitherto, and Transferor Company shall not alter or substantially expand their businesses except with the concurrence of Transferee Company. Any of the rights, powers, authorities, privileges related or pertaining to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company.
- (d) The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the central government and all other agencies, departments and authorities concerned, as are necessary under any law for such consents, approvals, and sanctions which Transferee Company may require to carry on the business of the Transferor Company.
- (e) Transferor Company shall not, without the written concurrence of Transferee Company, alienate, charge or encumber any of their properties, issue guarantees, indemnities, letters of comfort or commitments of any nature whatsoever for themselves or on behalf of any third parties, or sell, transfer, alienate, charge, mortgage or encumber or deal with assets of the Transferor Company or any part thereof save and except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of Transferee Company or on account of any agreement executed between the Transferor Company and the Transferee Company to this effect, as the case may be.
- (f) Transferor Company shall not vary or alter, except in the ordinary course of their business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of Transferee Company the terms and conditions of employment of any of its employees, nor shall it conclude settlement with any union or its employees except with the written concurrence of Transferee Company.
- (g) With effect from the Appointed Date, all debts, liabilities, duties, and obligations of Transferor Company as on the close of business on the date preceding the Appointed Date, whether or not provided in their books and all liabilities which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties, and obligations of Transferee Company.
- (h) With effect from the Appointed Date, all taxes, duties, cess paid in advance or payable by the Transferor Company or any advance tax paid including Minimum Alternate Tax credit in accordance with the provisions of Section 115JAA of the IT Act, refunds/ credit / claims relating thereto shall be treated as the liability or

refund/ credit/ claims, as the case may be, of the Transferee Company. The Transferee company shall be entitled to file/ revise its tax returns, TDS Certificates, TDS returns and other statutory returns, if required and shall have the right to claim refund/ credits and/ or set off all amounts paid by the Transferor Company assets, undertakings of the Transferor Company under the relevant income tax, service tax, excise duty, customs, or any other tax laws. The right to make such revisions in the tax returns and to claim refunds/ credits is expressly reserved in favor of the Transferee Company.

- (i) Where any such debts, loans raised, liabilities, duties, and obligations of the Transferor Company as on the Appointed Date have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company.
- (j) The Transferor Company shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to its business and operations (ii) any agreement or transaction; and (iii) such other matters as the Transferee Company may notify from time to time save and except in the following circumstances:
 - a. if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the Tribunal; or
 - b. if the same is permitted by this Scheme; or
 - c. if consent of the Board of Directors of the Transferee Company has been obtained.
- (k) The Transferor Company shall not, without the prior written consent of the Transferee Company, undertake any new business.

8. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the Transferor Company with and into the Transferee Company under Part III of the Scheme, shall not affect any transaction or proceedings already completed or liabilities incurred by the Transferor Company, either prior to or on or after the Appointed Date, to the end and intent that the Transferee Company shall accept and adopt all acts, deeds and things done and executed by or on behalf of the Transferor Company in respect thereto as acts, deeds and things done and executed by and on behalf of itself.

9. CONSIDERATION

- 9.1. Upon this Scheme coming into effect and upon transfer and vesting of the business and Undertaking of Transferor Company in Transferee Company, the consideration in respect of such transfer shall, subject to the provisions of the Scheme, be paid and satisfied by Transferee Company as follows:

- (a) The Transferee Company, without further application, act or deed, shall issue and allot to the shareholders of Transferor Company holding 99.99% of the share capital i.e. Motorola Mobility Netherlands Two B.V (*other than the shares already held therein immediately before the amalgamation by Transferee Company, its Nominee or Subsidiary Company*) and minority shareholder of the Transferor Company holding 0.01% of the share capital i.e., Motorola Mobility International Capital LLC, as per the share exchange ratio determined by the Registered Valuer (basis the Valuation Report obtained on 11 May 2023), i.e.:

“3 equity shares of face value INR 10 each fully paid of the Transferee Company shall be issued and allotted as fully paid up for every 100 equity shares of face value INR 10 fully paid held by the shareholders of the Transferor Company.”

- (b) The issue and allotment of the new equity shares to Motorola Mobility Netherlands Two B.V and Motorola Mobility International Capital LLC as provided in this Scheme, is an integral part thereof and shall be deemed to have been carried out without requiring any further act on the part of the Transferee Company or its shareholders and as if the procedure laid down under Section 62 and any other applicable provisions of the Act, and such other statutes and regulations as may be applicable were duly complied with.
- (c) The said new equity shares in the capital of Transferee Company be issued to the shareholders of Transferor Company i.e., to Motorola Mobility Netherlands Two B.V. and Motorola Mobility International Capital LLC shall rank pari passu in all respects, with the existing equity shares in Transferee Company. Such shares in Transferee Company, to be issued to the shareholders of Transferor Company will, for all purposes, save as expressly provided otherwise, be deemed to have been held by each such member from the Appointed Date.
- (d) Upon the Scheme becoming effective and subject to the above provisions, the shareholders of Transferor Company as on the Effective Date shall receive new dematerialized shares/ share certificates of Transferee Company. Upon the issue and allotment of new shares in the capital of Transferee Company to the shareholders of Transferor Company, the dematerialized shares/ share certificates in relation to the shares held by them in Transferor Company shall be deemed to have been cancelled.
- (e) Upon coming into effect of this Scheme, the shares, or the share certificates of the Transferor Company in relation to the shares held by its members shall, without any further application, act, instrument, or deed, be deemed to have been automatically cancelled and be of no effect on and from the Effective Date without any necessity of them being surrendered.

- (f) Unless otherwise determined by the Board of Directors of the Transferee Company, allotment of shares to the shareholders of the Transferor Company in terms of this Clause 9 shall be done within a period of 90 (ninety) days from the Effective Date.
- (g) Notwithstanding the above, no fractional shares shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the shareholders of the Transferor Companies may be entitled as per the share exchange ratio as provided in Clause 9.1 of this Scheme. Fractional entitlements, if any, shall be cancelled.

10. DIVIDENDS AND PROFITS

- 10.1. The Transferor Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders in respect of the financial year/accounting period prior to the Appointed Date. The Transferor Company shall not declare any dividend for the period commencing from and after Appointed Date without written consent of the Transferee Company. The Transferor Company shall obtain the consent of the Board of Directors of Transferee Company before declaration of any dividend. The Transferor Company and the Transferee Company shall not transfer any amount from the reserves or amount lying in credit to the Profit & Loss account on the Appointed Date for the purpose of payment of dividend.
- 10.2. Subject to the provisions of the Scheme, the profits/losses of the Transferor Company for the period prior to and beginning from the Appointed Date shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed off in any manner as it thinks fit including declaration of dividend by the Transferee Company in respect of its financial year ending on 31st March 2024 or any year thereafter.
- 10.3. The new equity shares of the Transferee Company to be issued and allotted to the shareholders of the Transferor Company as provided in Clause 9.1 of Part III here shall rank pari passu in all respects with the equity shares of the Transferee Company including proportionate entitlements to dividend in respect of dividends declared after the Effective Date. The holders of the shares of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights, voting rights and in all other respects under their respective Articles of Association including the right to receive dividends from the respective Companies of which they are members till the Effective Date.
- 10.4. It is clarified, however, that the aforesaid provisions in respect of declaration of dividend are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company or the Transferee Company to demand or claim any dividend which shall be entirely at the discretion of the Board of Directors and subject to the provisions of the said Act.

11. ACCOUNTING TREATMENT

11.1. Notwithstanding anything to the contrary contained herein, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of accounts in accordance with applicable accounting principles as prescribed under the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time as determined under Ind AS, as below:

- The Transferee Company shall recognize the assets and liabilities of the Transferor Company, at their respective fair values.
- Inter-company balances, if any, shall be settled/ eliminated.

The difference between the

(i) fair value of Transferor Company's net assets acquired by the Transferee company, and

(ii) equity shares issued by the Transferee company

shall be recognized in equity.

12. DATE OF TAKING EFFECT AND OPERATIVE DATE

12.1. The Scheme shall be effective at and from the Appointed Date for Amalgamation of the Transferor Company with and into the Transferee Company but shall be operative from the Effective Date.

13. DISSOLUTION / WINDING-UP OF TRANSFEROR COMPANY

13.1. Upon this Scheme becoming effective, the Transferor Company shall be dissolved without winding-up pursuant to the provisions of Section 232 of the Act. Any obligations/ steps which need to be undertaken by the Transferor Company pursuant to the sanction of this Scheme shall be fulfilled by the Transferee Company.

PART IV

GENERAL TERMS AND CONDITIONS

14. COMBINATION OF AUTHORIZED SHARE CAPITAL

- 14.1. Upon coming into effect of the Scheme, the authorized share capital of the Transferor Company as mentioned in Clause 5.1 of Part II, shall be deemed to be added to the authorized share capital of the Transferee Company, without any further act, instrument or deed on the part of the Transferee company including payment of stamp duty and registration or additional fees payable to the Registrar of Companies and the Memorandum of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified, amended and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 4, 13 and 61 and all other applicable provisions of the Companies Act 2013, if any, would be required to be separately passed as the case may be, and for this purpose the stamp duties and fees paid on the authorized share capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase in the authorized share capital to that extent.
- 14.2. Accordingly, in terms of this Scheme, the authorized share Capital of the Transferee Company shall be enhanced to an amount of Rs 20,00,000/- (Rupees Twenty Lakh only) divided into 2,00,000 Equity Shares of Rs. 10/- each and Clause 5 of the Memorandum of Association of Transferee Company shall on the Effective Date, stand substituted to read as follows:

“5th. The Authorized Share Capital of the Company is INR 2,000,000/- (Rupees Twenty Lakh only) comprising of 200,000 (Two Lakh only) Equity Shares of INR 10/- (Rupees Ten only) each subject to be increased or reduced in accordance with the regulations of the Company and the legislative provisions for the time being in force in this behalf and with power to divide the shares in the capital for the time being into Equity Share Capital and Preference Share Capital to attach thereto respectively any preferential, qualified or special rights, privileges or conditions. The Cumulative Preference Shares, if any, shall confer on the holders thereof the right, out of the profits of the Company which it shall be determined to be distributed as dividends, to a fixed cumulative preferential dividend, free of Company’s tax but subject to deduction of tax thereof as required by the Indian Income Tax Act or any statutory modification or re-enactment thereof for the time being in force or any other law in that behalf, on the capital for the time being in force or any other law in that behalf, on the capital for time being paid thereon and the right in the event of winding up to payment of the capital and arrears of dividend, if any, whether earned, declared or not up to the commencement of winding up, in priority to all other

share of the Company but shall not confer any other right to participate in profits or surplus assets of the Company.”

- 14.3. There are no changes required in the existing Article IV of the Articles of Association of the Transferee Company as the same states that “The Authorized Share capital of the Company is as mentioned in Clause 5 of the Memorandum of Association of the Company”.
- 14.4. Accordingly, the authorized share capital structure upon giving effect to the merger shall be as follows:

Particulars	Amount in Rs.
Authorized Share Capital	
2,00,000 Equity shares of Rs. 10 each	20,00,000
[1,50,000 Equity shares of Rs. 10 each of Transferor Company 50,000 Equity shares of Rs. 10 each of Transferee Company]	
Total	20,00,000

- 14.5. It is clarified that the approval of the members of the Transferee Company to the Scheme shall be deemed to be their consent/ approval also to the alteration of the Memorandum of Association and the Articles of Association of the Transferee Company as may be required under the Companies Act, and Clause 5 of the Memorandum of Association of the Transferee Company shall stand substituted by virtue of this Scheme.

15. APPLICATION TO THE NCLT

- 15.1. The Transferor Company and the Transferee Company shall, with all reasonable dispatch, make applications (as may be applicable) to the NCLT, Bengaluru Bench for sanctioning this Scheme under Sections 230 to 232 of the Act for an order or orders thereof for carrying this Scheme into effect and for dissolution of the Transferor Company without winding up.
- 15.2. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any Law for such Governmental Approvals which the Transferee Company may require to own the Undertakings of the Transferor Company and to carry on the business of the Transferor Company.

16. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 16.1. Subject to the approval of NCLT, the Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub - committee of the Board or persons, may consent, to any modifications or amendments of the Scheme or to any conditions or limitations that the NCLT or any other Governmental Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable

or appropriate by the NCLT or such other Governmental Authority for settling any question or doubt or difficulty that may arise for implementing and/ or carrying out the Scheme, whether in pursuance of a change in Law or otherwise.

16.2. For the purpose of giving effect to this Scheme or to any modification or amendments thereof or additions thereto, the delegate(s) and/ or Board of Director(s) of Transferor Company and the Transferee Company may give and are hereby authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on the Transferor Company and the Transferee Company, in the same manner as if the same were specifically incorporated in this Scheme.

17. CONDITIONALITY OF THE SCHEME

17.1. This Scheme is and shall be conditional upon and subject to:

- (a) The sanctions and approval of any governmental authority (including approval from the Ministry of Commerce or Industry – Department for Promotion of Industry and Internal Trade in accordance with Press Note 3 of 2020 Series under the Foreign Direct Investment (“FDI”) Policy, as may be required until the requirement of such approval is withdrawn or exempted for the Companies or any other agency, department or authority as may be required under any law.
- (b) The Scheme being approved by the requisite majorities in value of such classes of persons including the shareholders and/or creditors of the Transferor Company and the Transferee Company, as may be directed by the NCLT or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable.
- (c) The sanction of the NCLT or any other Appropriate Authority under law being obtained under the relevant provisions of the Act and other applicable laws by the Transferor Company and the Transferee Company.
- (d) If any part of this Scheme is found to be unworkable for any reason whatsoever, then the same shall not, subject to the final decision of the Transferee Company, affect the validity, working or implementation of other parts/ provisions of the Scheme.

17.2. The certified copy of the Order of the NCLT under Sections 230 to 232 of the Act or any other competent authority or any appropriate authority under the applicable provisions of the Act, as may be applicable, shall be filed with the Registrar of Companies, Karnataka by the Transferor Company and the Transferee Company as applicable;

Further, the Transferor Company and the Transferee Company shall, in accordance with the circular F.No. 7/12/2019CL-I dated 21 August 2019 issued by the Ministry of

Corporate Affairs, file an intimation regarding the effective date of the scheme on receipt of the approval from the Ministry of Commerce or Industry – Department for Promotion of Industry and Internal Trade in accordance with Press Note 3 of 2020 Series under the FDI policy.

18. NOT A SCHEME OF CORPORATE DEBT RESTRUCTURING

- 18.1. The Scheme, in no way, is a Scheme of compromise or arrangement with the creditors of any of the Restructured Companies and the Scheme is not affecting the rights of the creditors as all the creditors will be paid/ satisfied in full, as and when their respective amounts fall due in the usual course of business, by the Transferee Company.
- 18.2. The Scheme is not a Scheme of Corporate Debt Restructuring as envisaged under Section 230(2)(c) of the Act.

19. EFFECT OF NON-RECEIPT OF APPROVALS

- 19.1. In the event of any of the said sanctions and approvals referred to in Clause 17 not being obtained and/ or complied with and/or satisfied and/ or the Scheme not being sanctioned by the NCLT or any other Governmental authority, this Scheme shall stand revoked, cancelled and be of no effect. The Transferor Company and the Transferee Company shall, in such event, inter se bear and pay their respective costs, charges, expenses in connection with the Scheme.
- 19.2. Further, in the event of non-receipt of approvals to the Scheme, no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the Transferor Company or the Transferee Company or their shareholders, creditors, employees or any other person 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.

20. POWER TO WITHDRAW THE SCHEME AT ANYTIME

- 20.1. In the event of any condition or amendment or modification that may be imposed by the NCLT or any Governmental authority, or if the Board of Directors of the Transferor Company or the Board of Directors of the Transferee Company, may find it unacceptable for any reason or if the Board of Directors of the said Transferor Company or Transferee Company decides, they shall be at a liberty to withdraw from the Scheme unconditionally prior to the Effective Date but with the mutual consent of both the Transferor Company and the Transferee Company, effected through their respective Board of Directors.
- 20.2. For this purpose, it shall not be necessary for either the Transferor Company or the Transferee Company to obtain any further consent of any of their respective shareholders or any other person. The consents given by such shareholders of the

Transferor Company and the Transferee Company shall be deemed to include their consent authorizing to the Board of Directors of the respective Companies to withdraw the Scheme at any time prior to the Effective Date.

21. REMOVAL OF DIFFICULTIES

The Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, shall be authorized to take all such steps as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions whether by reason of any 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.

22. TAX NEUTRALITY

This Scheme is in full compliance with the provisions relating to / definition of “amalgamation” as provided under Section 2(1B) and other related provisions of the IT Act and applicable rules. If any terms or provisions of this Scheme is / are inconsistent with the provisions of Section 2(1B) of the IT Act, the provisions of Section 2(1B) of the IT Act shall prevail and this Scheme shall stand modified to the extent necessary to comply with provisions of Section 2(1B) of the IT Act and such modification shall not affect other terms of provisions of this Scheme.

23. BOARD RESOLUTIONS OF TRANSFEROR COMPANY

Upon the Scheme coming into effect, with effect from the Appointed Date, the resolutions, if any, of Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of Transferee Company. If any such resolutions have any monetary limits approved as per the provisions of the Act, or any other applicable statutory provisions, then such limits shall be added to the limits, if any, under resolutions passed by Transferee Company and shall constitute the aggregate of the said limits in Transferee Company.

24. CONDUCT OF TRANSFEREE COMPANY

The Transferee Company shall continue to be governed by Applicable Law with respect to conduct of its business; or with respect to undertaking any purchase / acquisition / sale / transfer of any business or undertaking; or issue or buy-back of any shares or securities; during the period after the Appointed Date. The provisions of this Scheme shall not have the effect of prohibiting, or restricting, or requiring any additional approvals to be obtained for undertaking the above-mentioned activities by the Transferee Company.

25. SEVERABILITY

If any part of this Scheme is held invalid, ruled illegal/ unenforceable for any reason whether under present or future laws by NCLT, parties or any other government authorities / persons(s) as applicable under the Act, then it is the intention of the parties that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in this Scheme, as will best preserve for the parties the benefits and obligations of this Scheme, including but not limited to such part.

26. OPERATIVE DATE OF THE SCHEME

The Scheme, although operative from the Appointed Date, as the case may be, shall become effective from the Effective Date.

27. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges, taxes including duties, levies, and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne and paid by the Transferee Company and shall be debited to the Profit and Loss account. It is further clarified that any costs arising or accruing to the Transferor Company in carrying out and implementing this Scheme and matters incidental thereto, as on or after the Effective Date, shall for all purpose be treated and be deemed to be arising or accruing as costs of the Transferee Company. Stamp duty cost, if any, incurred in connection with the Scheme shall also be borne by the Transferee Company.

28. NO CAUSE OF ACTION

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

(This space has been intentionally left blank)

29. REPEAL AND SAVINGS

The provisions of the Act and the rules made thereunder shall not be required to be separately complied with, in relation to the acts done by the Transferor Company or the Transferee Company as per the direction or order by the NCLT sanctioning this Scheme.

M/s. **Motorola Mobility Chennai Private Limited** (Transferor Company)

Signature: _____

Ms. Anita Kapoor

DIN: 02787405

Director

M/s. **Motorola Mobility India Private Limited** (Transferee Company)

Signature: _____

Mr. Dinesh Kumar Bansal

DIN: 09531014

Director