

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

OF

ORIENTAL CONTAINERS LIMITED
(The First Transferor Company)

AND

SHINRAI AUTO SERVICES LIMITED
(The Second Transferor Company)

WITH

ORICON ENTERPRISES LIMITED
(The Transferee Company)

AND

THEIR SHAREHOLDERS

SCHEME OF AMALGAMATION

PREAMBLE

A. Purpose of the Scheme

This Scheme of Amalgamation is presented under Sections 230 to 232 and other applicable provisions if any of the Companies Act, 2013 for amalgamation of ORIENTAL CONTAINERS LIMITED (“the First Transferor Company”) and SHINRAI AUTO SERVICES LIMITED (“the Second Transferor Company”) with ORICON ENTERPRISES LIMITED (“the Transferee Company”), and the dissolution of the Transferor Companies without winding up.

B. Description of Companies

1.1 Oricon Enterprises ("OEL"), the Transferee Company

The Company was incorporated as a private Limited company under the Companies Act, 1956 on 7th December, 1968 in the name of Oriental Containers Private Limited in the State of Maharashtra. The name of the Transferee Company was changed from Oriental Containers Private Limited to Oriental Containers Limited by deleting the word “private” from its name and obtained a fresh certificate of incorporation dated 31st March, 1970 from the Registrar of Companies, Maharashtra, Mumbai. The name of the Transferee Company was changed to its present name i.e. Oricon Enterprises Limited and obtain a fresh certificate of incorporation dated 2nd May, 2006 consequent on change of name from the Registrar of Companies, Maharashtra, Mumbai.

The main object clauses of the Memorandum of Association of the Transferee Company authorize the Transferee Company:

- To manufacture, export, import, buy, sell and deal in tin cans containers including boxes and tubes bottles, tin tops, including those known as “Crown Corks” and any other articulated and tight pressed metal articles of any kind and descriptions whatsoever.
- To carry on all and any of the businesses as designers and decorators of and embossers, painters, printers and lithographers of and exporters, importers,

buyers, sellers and dealers in tin and metal plates and other articles made by tin metal or other materials of any kind and description and as sheet iron and tin plates workers and Japan letter press or block printer designers and draughtsman, engravers photographers, electrotypers, photographic printers, photo lithographers, including as printers of papers, cardboard polythene, polyviva, compounds, aluminium, tin plates and other metal and alloy sheets and on any other material and articles.

The Transferee Company is engaged in the business of manufacture of petro chemical products, Liquid Colorants and trading activities.

The Transferee Company is a Public Company and its shares are listed on BSE Limited and National Stock Exchange of India Limited.

1.2 Oriental Containers Limited ("OCL"), the First Transferor Company

The Company was incorporated as a Private Limited Company under the Companies Act, 1956, on 13th February, 2006 in the name of Oricon Packaging Private Limited in the State of Maharashtra. The name of the company has been changed from Oricon Packaging Private Limited to Oricon Packaging Limited by deleting the word "Private" from its name and obtained a fresh certificate of incorporation dated 14th March, 2006 consequent on change of name from the Registrar of Companies Maharashtra, Mumbai. The name of the company has further been changed to its present name i.e. Oriental Containers Limited and obtained a fresh certificate of incorporation dated 17th May, 2006 consequent upon change of name from the Registrar of Companies, Maharashtra, Mumbai.

The main object clauses of the Memorandum of Association of the First Transferor Company authorize the First Transferor Company:

- To manufacture, export, import, buy, sell and deal in tin cans containers including boxes and tubes bottles, tin tops, including those known as "Crown Corks" and any other articulated and tight pressed metal articles of any kind and descriptions whatsoever and to carry on all and any of the businesses as designers and decorators of and emposers, painters, printers and lithographers of and exporters, importers, buyers, sellers and dealers in tin and metal plates and other articles made by tin metal or other materials of any kind and description and as sheet iron and tin plates workers and Japan letter press

The First Transferor Company is engaged in the business of manufacturer of plastic, metal caps & closures including crown caps, plastic closure, roll over pilfer proof caps (ROPP caps), twist off caps and aluminum collapsible tubes.

The First Transferor Company is an Unlisted Public Company and the entire Issued, Subscribed and Paid up Equity Share Capital is held by the Transferee Company. By virtue of the Shareholding pattern, the First Transferor Company is a Wholly Owned Subsidiary of the Transferee Company.

1.3 **Shinrai Auto Services Limited ("SASL"), the Second Transferor Company**

The Company was incorporated as a Public Limited Company under the Companies Act, 1956, on 14th December, 1999 in the name of USL Shinrai Automobiles Limited in the State of Maharashtra. The name of the company has been changed to its present name from USL Shinrai Automobiles Limited to Shinrai Auto Services Limited and obtained a fresh certificate of incorporation dated 27th December, 2010 consequent on change of name from the Registrar of Companies Maharashtra, Mumbai.

The main object clauses of the Memorandum of Association of the Second Transferor Company authorize the Second Transferor Company:

- To carry on the business as buyers, sellers, dealers, sub-dealers, agents, sub-agents, suppliers, traders, hires, manufacturers, servicers assemblers, importers, exporters and to act as lessee or lessor of all kinds and means of transport such as aeroplanes, aircrafts, airbuses, helicopters, gliders, ships, boats, wagons, coaches, cranes, tractors, trailers, trollies, trucks, vans, jeeps, cars and all other kinds of vehicles including two wheelers, three wheelers and / or any number of wheels or horse powers used in transport, defence, agriculture, construction whether operated by diesel, petrol, gas, solar or any kind of energy or any combination thereof.
- To carry on the business of service stations, garage operators and to deal in all kinds of automobile parts, spares, tyres, tubes, seat covers, mats, covers and all kinds of attachments and accessories including stereos, compact discs and drives, lazer discs and drives, speakers, cassettes and cassette players, mobile sets, hand phones, car television sets and other attachments.

The Second Transferor Company was engaged in the business of sales and services of Toyota Vehicles.

The Second Transferor Company is an Unlisted Public Company and the entire Issued, Subscribed and Paid up Equity Share Capital is held by the Transferee Company. By virtue of the Shareholding pattern, the Second Transferor Company is a Wholly Owned Subsidiary of the Transferee Company.

C. Purpose and Rationale of the Scheme

- 1.1 Oriental Containers Limited and Shinrai Auto Services Limited are wholly owned subsidiaries of Oricon Enterprises Limited, the Transferee Company. All the companies are part of the same group.
- 1.2 Accordingly, the Board of Directors of the Transferor Companies and the Transferee Company has decided to amalgamate the Transferor Companies together with their business and undertakings, with the Transferee Company, so as to achieve the following:
 - A Rationalizing multiple subsidiaries in the group to ensure optimized legal entity structure, more aligned with the business by reducing the number of legal entities and reorganizing the legal entities in the group structure so as to obtain significant cost savings and /or simplification benefits.
 - B Significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by OEL, OCL and SASL.
 - C Enable the shareholders of Oricon Enterprises Limited to get direct participation in the business of its present wholly owned subsidiaries (being Oriental Containers Limited and Shinrai Auto Services Limited)
 - D Simplified group and business structure
 - E Elimination of administrative functions and multiple record-keeping, thus resulting in reduced expenditure.
 - F The aforesaid synergistic benefits accruing from the consolidation would ultimately contribute to the future business and profitability of the merged entity.

- 1.3 Thus, as a whole, amalgamation of the Transferor Companies with the Transferee Company in terms of the Scheme will be beneficial for all the three companies, their shareholders, their creditors, employees, customers and all others concerned with the three companies.

D. Parts of the Scheme

The Scheme is divided into following parts:

Part I: Definitions and Interpretations

Part II: Capital Structure

Part III: Amalgamation of the Transferor Companies with the Transferee Company

Part IV: Cancellation of Shares of Transferor Companies & Increase of Authorized Share Capital of Transferee Company

Part V: Accounting treatment in the books of the Transferee Company

Part VI: General terms and conditions

PART I

DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

In addition to the words and expressions defined elsewhere in this Scheme, unless it is contrary or repugnant to the subject, context or meaning thereof, the following words and expressions shall have the meanings as set out hereunder:

- 1.1.1 "Act" means the (Indian) Companies Act, 2013, to the extent notified, and all amendments or statutory modifications thereto or re-enactments thereof, except where otherwise expressly provided;

- 1.1.2 "**Appointed Date**" means 1st April, 2017 or such other date as the National Company Law Tribunal [NCLT] Mumbai may direct, which shall be the date with effect from which this Scheme shall become effective and with effect from which date the Transferor Companies shall amalgamate with the Transferee Company in terms of the Scheme, upon the order sanctioning this Scheme becoming effective.
- 1.1.3 "**Amalgamation**" means the amalgamation as specified under Section 2(1B) of the Income-tax Act, 1961.
- 1.1.4 "**Board of Directors**" in relation to OCL or SASL or OEL as the case may be, means the Board of Directors of the respective companies for the time being and shall include a committee of directors or any person authorized by the Board of Directors or such committee of directors.
- 1.1.5 "**Effective Date**" shall mean the last of the dates on which a certified copy of the order passed by the NCLT sanctioning the Scheme, is filed by OCL, SASL and OEL respectively, with the Registrar of Companies, Maharashtra, Mumbai in terms of Section 232 (5) or any other provisions if any of the Companies Act, 2013.
- 1.1.6 "**Financial Statements**" include standalone and consolidated accounts, i.e., balance sheet, statement of profit & loss, cash flow statement and notes to accounts of the Transferor Companies and the Transferee Company, as the context may require.
- 1.1.7 "**Governmental Authority**" means any applicable central, state or local government, legislative body, regulatory or administrative authority, agency or commission or committee or any court, tribunal, board, bureau, instrumentality, Registrar of Companies, Regional Director, The Official Liquidator, National Company Law Tribunal, judicial or quasi-judicial or arbitral body having jurisdiction over the territory of India.
- 1.1.8 "**National Company Law Tribunal**" means the Hon'ble National Company Law Tribunal, Mumbai Bench that has jurisdiction over OCL, SASL and OEL or such other forum or authority that may be vested with requisite powers under the Companies Act, 2013 in relation provisions of 230 to 232 of the Companies Act, 2013

- 1.1.9 "**Oriental Containers**" means Oriental Containers Limited (CIN:U28992MH2006PLC159687), an Unlisted Public Company, which was incorporated on 13th February, 2006 under the Companies Act, 1956 having its registered office at 1076, Dr. E. Moses Road, Worli, Mumbai -400 018.
- 1.1.10 "**Oricon Enterprises**" means Oricon Enterprises Limited (CIN: L28100MH1968PLC014156), a listed Public Company, which was incorporated on 7th December, 1968 under the Companies Act, 1956 having its registered office at 1076, Dr. E. Moses Road, Worli, Mumbai 400 018.
- 1.1.11 "**Scheme**" means this Scheme of Amalgamation of Oriental Containers Limited And Shinrai Auto Services Limited with Oricon Enterprises Limited, in its present form, or with any modification(s) made under paragraph 6.4 hereof.
- 1.1.12 "**Shinrai Auto**" means Shinrai Auto Services Limited (CIN: U35301MH1999PLC122386), an unlisted Public Company, which was incorporated on 26th October, 1999 under the Companies Act, 1956 having its registered office at 1076, Dr. E. Moses Road, Worli Naka, Worli, Mumbai 400 018.
- 1.1.13 "**Subsidiary**" means subsidiaries of Oricon Enterprises Limited under Section 2(87) of the Act 2013.
- 1.1.14 "**Transferor Companies**" means collectively both the companies i.e. Oriental Containers Limited and Shinrai Auto Services Limited amalgamating into Oricon Enterprises Limited in terms of the Scheme.
- 1.1.15 "**Transferee Company**" means Oricon Enterprises Limited.
- 1.1.16 "**Transferred Undertaking**" means and includes the whole of the undertaking of the Transferor Companies together, as on the Appointed Date (further details of which are set out in Paragraph 3.2. thereof), and includes:
- i. all assets of the Transferor Companies, wherever situated, as are movable in nature, whether present, future or contingent, tangible or intangible, in

possession or reversion, corporeal or incorporeal, including without limitation current assets, furniture, fixtures, appliances, accessories, office equipment, communication facilities, installations, vehicles, utilities, actionable claims, earnest monies, security deposits and sundry debtors, bills of exchange, inter corporate deposits, financial assets and accrued benefits thereto, insurance claims recoverable, prepaid expenses, outstanding loans and advances recoverable in cash or in kind or for value to be received , provisions, receivables, funds, cheques and other negotiable instruments, cash and bank balances and deposits including accrued interests thereto with Governmental Authority, other authorities, bodies, customers and other persons, benefits of any bank guarantees, performance guarantees, corporate guarantees, letters of credit and tax related assets (including service tax, input credits, CENVAT credits, GST, value added tax, sales tax, entry tax credits or set-offs and any other tax benefits, exemptions and refunds)

- ii. all immovable properties (i.e. land together with the buildings and structures standing thereon or under construction)(whether freehold, leasehold, leave and licensed or otherwise) including any tenancies in relation to office space, building plans, guest houses and residential premises including those provided to/occupied by the Transferred Employees (as defined hereinafter) and documents of title, rights and easements in relation thereto and all plant and machineries constructed on or embedded or attached to any such immovable properties and all rights, covenants, continuing rights, title and interests in connection with the said immovable properties;
- iii. all investments of the Transferor Companies including in the form of shares, scrips, stocks, bonds, debentures, debenture stock, units or pass through certificates and other securities and instruments, including all rights, interest and entitlement in relation thereto and rights and options exercised and application or subscription made for or in relation thereto ("Investments");
- iv. all permits, licenses, permissions, approvals, consents, municipal permissions, benefits, registrations, rights, entitlements, certificates, clearances, authorities, allotments, quotas, no-objection certificates and exemptions of the Transferor Companies including those relating to privileges, powers, facilities of every kind and description of whatsoever

nature and the benefits thereof, including applications made in relation thereto ("Licenses");

- v. all benefits, entitlements, incentives and concessions under incentive schemes and policies including under customs, excise, service tax, GST, VAT, sales tax and entry tax and income tax laws, subsidy receivables from Government, grants from any Governmental Authority, all other direct tax benefit/ exemptions/ deductions, sales tax deferrals, to the extent statutorily available to the respective Transferor Companies, alongwith associated obligations;
- vi. all contracts, agreements, Joint Venture Agreement, memorandum of understanding, bids, tenders, expressions of interest, letters of intent, commitments including to clients, and other third parties, hire and purchase arrangements, other arrangements, undertakings, deeds, bonds, investments and interest in projects undertaken by the Transferor Companies, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise, to which the Transferor Companies are parties, or to the benefit of which the Transferor Companies may be eligible ("Contracts")
- vii. all intellectual property rights of the Transferor Companies, including pending applications (including hardware, software, source codes, parameterization and scripts), registrations, goodwill, logos, trade names, trademarks, service marks, copyrights, patents, technical know-how, trade secrets, domain names, computer programmes, moral rights, development rights, finished and ongoing research and development programs and all such rights of whatsoever description and nature, whether or not registered, owned or licensed, including any form of intellectual property which is in progress ("Intellectual Property");
- viii. all employees of the Transferor Companies, whether permanent or temporary, engaged in or in relation to the Transferor Companies as on the Effective Date and whose services are transferred to the Transferee Company ("Transferred Employees") and contributions, if any, made towards any provident fund, employees state insurance, gratuity fund, staff welfare scheme or any other special schemes, funds or benefits, existing for the benefit of such Transferred Employees ("Funds"), together with such of the

investments made by these Funds, which are referable to such Transferred Employees;

- ix. all loans, debts, borrowings, obligations, duties, forward contract liability, cash credits, bills discounted, deferred income, contingent liability and liabilities (including present, future and contingent liabilities) pertaining to or arising out of activities or operations of the Transferor Companies, including obligations relating to guarantees in respect of borrowings and other guarantees ("Transferred Liabilities");
- x. all legal (whether civil or criminal), taxation or other proceedings or investigations of whatsoever nature (including those before any Governmental Authority) that pertain to the Transferor Companies, initiated by or against the Transferor Companies or proceedings or investigations to which the Transferor Companies is party to, whether pending as on the Appointed Date or which may be instituted any time in the future ("Proceedings");
- xi. all taxes, duties, cess, income tax benefits or exemptions including the right to claim deduction, to carry forward losses and tax credits under any provision of the Income Tax Act etc., that are allocable, referable or related to the Transferor Companies, including all credits under Income tax Act, including MAT credit, book losses (if any), all or any refunds, interest due thereon, credits and claims relating thereto; and
- xii. all books, records, files, papers, engineering and process information, building plans, databases, catalogues, quotations, advertising materials, lists of present and former credit, and all other books and records, whether in physical or electronic form, of the Transferor Companies.

Note No.1:-

- The Board of Directors of Oriental Containers Limited (OCL) and Oricon Enterprises Limited (OEL) at their respective meeting held on 27th October, 2017 have subject to the approval of the shareholders, passed a resolution for the proposed sale / transfer of the business of manufacturing, exporting, importing, buying, selling and dealing in raw materials and closures made of metal and plastics (closure business) of OCL, as a going concern on slump

exchange basis as per the Business Transfer Agreement to Oricon Packaging Limited (OPL), a subsidiary of Oriental Containers Limited (OCL) and a step down subsidiary of OEL for consideration of 49,50,000 Equity Shares of Rs.10/- each of OPL aggregating to rs.4.95 crores.

- The Board of Directors of Oriental Containers Limited (OCL) and Oricon Enterprises Limited (OEL) at their respective meeting held on 27th October, 2017 have also subject to the approval of the shareholders, passed a resolution for sale of 25,50,000 Equity shares (constituting 51% Equity share capital) of Oricon Packaging Limited (OPL), held by OCL to Pelliconi & C.S.P.A. or its nominee (Pelliconi) a company incorporated under the laws of Italy after transfer of closure business to OPL and fulfillment of agreed conditions under the Sale and Purchase Agreement, at an enterprise value of Rs.419.40 crores subject to net working capital, net financial position and other adjustments as agreed.
- The approval of shareholders is being sought by Oriental Containers Limited (OCL) and Oricon Enterprises Limited (OEL) respectively pursuant to the provisions of Section 180 (1) (a) and other relevant provisions of the Companies Act, 2013 read along with SEBI(LODR) Regulations, 2015.

Note No.2:-

- The Equity shareholders of Shinrai Auto Services (SASL) and Oricon Enterprises Limited (OEL) have passed separate special resolutions on 28th September, 2017 and 1st October, 2017 respectively under Section 180 (1) (a) and other applicable provisions if any of the Companies Act, 2013 read alongwith SEBI(LODR) Regulations, 2015 for sale / transfer of the business of providing sales and services of Toyota vehicles in the name of and style of Shinrai Toyota (Toyota Dealership Business) of SASL, as a “going Concern” on slump sale basis to Madhuban Motors Private Limited on the terms and conditions as laid down in the Business Slump Sale Agreement.
- The transfer of Toyota Dealership business (assets and liabilities) is under process and the same will be completed in due course of time.

1.2 Interpretations

In this Scheme, unless the context otherwise requires:

- 1.2.1 References in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" shall mean the Effective Date of the Scheme;
- 1.2.2 references to the singular include a reference to plural and vice versa and reference to any gender includes a reference to all other genders;
- 1.2.3 Reference to persons shall include individuals, bodies corporate (wherever incorporated or un-incorporated), associations and partnerships;
- 1.2.4 Headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- 1.2.5 References to a paragraph shall be deemed to be a reference to a paragraph or Schedule of this Scheme;
- 1.2.6 Reference to the words 'hereof, 'herein' and 'hereby' and derivatives or similar words refer to this entire Scheme;
- 1.2.7 references to the words "including", "inter alia" or any similar expression, shall be construed as illustrative and shall not limit the sense of the words preceding those terms; and
- 1.2.8 any reference to any statute or statutory provision shall include:
 - i. all subordinate legislations made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment; and
 - ii. such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the filing of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the matters contemplated under this Scheme and (to the extent liability there under may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from

time to time) which the provision referred to has directly or indirectly replaced.

PART II CAPITAL STRUCTURE

- 2.1 The capital structure of Oriental Containers Limited (the First Transferor Company) as on 31st March, 2017 is set out below:

Share Capital	Amount in Rs.
Authorised Share Capital	
2,50,00,000 Equity Shares of Rs. 10/- each	25,00,00,000
7,50,00,000 - 0.000001% Redeemable Non Cumulative Preference Shares of Rs.10/- each	75,00,00,000
Total	100,00,00,000
Issued, Subscribed and Paid Up Capital	
1,08,20,836 Equity Shares of Rs. 10/- each	10,82,08,360
Total	10,82,08,360

- 2.2 The capital structure of Shinrai Auto Services Limited (the Second Transferor Company) as on 31st March, 2017 is set out below:

Share Capital	Amount in Rs.
Authorised Share Capital	
70,00,000 Equity Shares of Rs.10/- each	7,00,00,000
Total	7,00,00,000
Issued, Subscribed and Paid Up Capital	
70,00,000 Equity Shares of Rs. 10/- each	7,00,00,000
Total	7,00,00,000

- 2.3 The capital structure of Oricon Enterprises Limited, the Transferee Company as on 31st March, 2017 is set out below:

Share Capital	Amount in Rs.
Authorised Share Capital	
17,45,00,000 Equity Shares of Rs. 2/- each	34,90,00,000
10,000 11% Cumulative Redeemable Preference	10,00,000

Shares of Rs. 100/- each	
Total	35,00,00,000
Issued,	
15,71,10,360 Equity Shares of Rs. 2/- each	31,42,20,720
Total	31,42,20,720
Subscribed and Paid Up Capital	
15,70,47,715 Equity Shares of Rs. 2/- each	31,40,95,430
Shares forfeited Account	53,764
Total	31,41,49,194

The Hon'ble National Company Law Tribunal (NCLT) vide its Order dated 18th October, 2017 has sanctioned the Scheme of Amalgamation between Oricon Properties Private Limited (OPPL) into Oricon Enterprises Limited (OEL). Pursuant to the said Scheme of Amalgamation between OPPL and OEL, the Authorized Share capital of OPPL amounting to Rs.6,50,00,000/- has been transferred and merged with the Authorized share capital of OEL. Thus the Authorized Share Capital of OEL will be Rs.41,50,00,000/- divided into 20,70,00,000 Equity shares of Rs.2/- each and 10,000 Preference Shares of Rs.100/- each.

- 2.4 Upto and as on the date of approval of the Scheme by the Board of Directors of OCL, SASL and OEL respectively, there is no change in the Issued, Subscribed and Paid-up share Capital of the respective companies.

PART III

AMALGAMATION OF TRANSFEROR COMPANIES WITH TRANSFEREE COMPANY

3.1 Transfer & Vesting of the Transferor Companies

Upon the order of the NCLT sanctioning the Scheme becoming effective, on and from the Appointed Date, the Transferred Undertaking of the Transferor Companies shall, together with all its properties, assets, agreements, joint venture Agreements, expression of Interest(EOI), rights, benefits, interests, liabilities and obligations, subject to the provisions of Paragraph 3.2 hereof in relation to the mode of vesting, and without any further deed or act and in accordance with Sections 230 to 232 of the Companies Act, 2013 and all other applicable provisions of law, be

transferred to and vested in and be deemed to have been transferred to and vested in, the Transferee Company, as a going concern.

3.2 Without prejudice to the generality of the foregoing and to the extent applicable, unless otherwise stated herein, upon the order of the NCLT sanctioning this Scheme becoming effective, on and from the Appointed Date:

3.2.1 **Assets**

- a) In respect of such assets of the Transferor Companies as are moveable in nature or are otherwise capable of transfer by delivery of possession, payment or by endorsement and delivery, the same shall stand transferred to and be vested in the Transferee Company and shall become the property of the Transferee Company. The vesting pursuant to this paragraph shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly, without requiring execution of any deed or instrument of conveyance for the same.
- b) In respect of such assets of the Transferor Companies as are or represent Investments registered and/or held in any form by or beneficial interest wherein is owned by the Transferor Companies, the same shall stand transferred/transmitted to and be vested in and/or be deemed to have been transferred/transmitted to and vested in the Transferee Company, together with all rights, benefits and interest therein or attached thereto, without any further act or deed and thereupon the Transferor Companies shall cease to be the registered and/or the beneficial owner of such investments. The Transferor Companies shall be deemed to be holding such investments for and on behalf of and in trust for and for the benefit of the Transferee Company and all profits or dividends and other rights or benefits accruing/paid/distributed on such investments and all taxes thereon, or losses arising or expenses incurred relating to such investments, shall, for all intent and purposes, be treated as the profits, dividends, rights, benefits, taxes, losses or expenses, as the case may be, of the Transferee Company.
- c) In respect of such of the moveable assets belonging to the Transferor Companies other than those specified in paragraph 3.2.1(a) and (b) hereof, including sundry

debtors, outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances and deposits, if any, the same shall (notwithstanding whether there is any specific provision for transfer of credits, assets or refunds under the applicable laws, wherever applicable), without any further act, instrument or deed by the Transferor Companies or the Transferee Company or the need for any endorsements, stand transferred from the Transferor Companies to and in favour of the Transferee Company. Any security, lien, encumbrance or charge created over any assets in relation to the loans, or borrowings or any other dues of the Transferor Companies, shall, without any further act or deed, stand transferred to the benefit of the Transferee Company and the Transferee Company will have all the rights of the Transferor Companies to enforce such security, lien, encumbrance or charge, by virtue of this Scheme.

- d) All immovable properties of the Transferor Companies (i.e., land together with the buildings and structures standing thereon or under construction, development rights) (whether freehold, leasehold, leave and licensed or otherwise) including any tenancies in relation to warehouses, office space, guest houses and residential premises including those provided to/occupied by the Transferred Employees and all documents of title, rights and easements in relation thereto and all plant and machineries constructed on or embedded or attached to any such immovable properties and all rights, covenants, continuing rights, title and interest in connection with the said immovable properties, shall stand transferred to and be vested in and be deemed to have been transferred to and vested in the Transferee Company, without any further act or deed done/executed or being required to be done/executed by the Transferor Companies or the Transferee Company or both. The Transferee Company shall be entitled to exercise and enjoy all rights and privileges attached to the immovable properties and shall be liable to pay the ground rent and taxes and fulfill all obligations and be entitled to all rights in relation to or as applicable to such immovable properties.

3.2.2 Licenses & Certificates

All Licenses, permits, registrations & ownership certificate issued by various registering & statutory authorities relating to the Transferor Companies shall stand transferred to and be vested in the Transferee Company, without any further act or

deed done by the Transferor Companies or the Transferee Company and be in full force and effect in favour of the Transferee Company, as if the same were originally given to, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

3.2.3 **Benefits, Entitlements, Incentives and Concessions**

All benefits, entitlements, incentives and concessions under incentive schemes and policies that the respective Transferor Companies is entitled to, including under customs, excise, service tax, GST, VAT, sales tax and entry tax and income tax laws, subsidy receivables from Government, grants from any governmental authority, direct tax benefit/ exemptions/ deductions, shall, to the extent statutorily available and alongwith associated obligations, stand transferred to and be available to the Transferee Company as if the Transferee Company was originally entitled to all such benefits, entitlements, incentives and concessions.

3.2.4 **Contracts**

- a) All Contracts and Agreements of the Transferor Companies which are subsisting or having effect immediately before the Effective Date, shall stand transferred to and vested in the Transferee Company and be in full force and effect in favour of the Transferee Company and may be enforced by or against it as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or oblige thereto.
- b) Any inter-se contracts between the Transferor Companies on One hand and the Transferee Company on the other hand and Transferor companies amongst themselves shall stand cancelled and cease to operate upon the coming into effect of this Scheme.
- c) All guarantees provided by any bank in favour of the Transferor Companies outstanding as on the Effective Date, shall vest in the Transferee Company and shall enure to the benefit of the Transferee Company and all guarantees issued by the bankers of the Transferor Companies at the request of the Transferor Companies favouring any third party shall be deemed to have been issued at the

request of the Transferee Company and continue in favour of such third party till its maturity or earlier termination.

3.2.5 Intellectual Property

All Intellectual Property of the Transferor Companies shall stand transferred to and be vested in the Transferee Company and be in full force and effect in favour of the Transferee Company and may be enforced by or against it as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary or obligee thereto.

3.2.6 Transferred Employees

- a) All Transferred Employees of the Transferor Companies shall be deemed to have become the employees and staff of the Transferee Company with effect from the Appointed Date, and shall stand transferred to the Transferee Company without any interruption of service and on terms and conditions no less favorable than those on which they are engaged by the Transferor Companies, as on the Effective Date, including in relation to the level of remuneration and contractual and statutory benefit, incentive plans, terminal benefits, gratuity plans, provident plans and any other retirement benefits.
- b) The Transferee Company agrees that the services of all transferred Employees with the Transferor Companies prior to the transfer, shall be taken into account for the purposes of all benefits to which such Transferred Employees may be eligible, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident plans and other retirement benefits and accordingly, shall be reckoned from the date of their respective appointment in the Transferor Companies. The Transferee Company undertakes to pay the same, as and when payable under applicable laws.

For avoidance of doubt, in relation to those Transferred Employees for whom the Transferor Companies is making contributions to the Government provident fund, the Transferee Company shall stand substituted for the respective Transferor Companies for all purposes whatsoever, including in relation to the obligation to make contributions to such funds in accordance

with the provisions of such funds, bye-laws, etc. in respect of the Transferred Employees.

- c) All contributions made by the Transferor Companies on behalf of the Transferred Employees and all contributions made by the Transferred Employees including the interests arising thereon, to the Funds and standing to the credit of such Transferred Employees' account with such Funds, shall, upon this Scheme becoming effective, be transferred to the funds maintained by the Transferee Company along with such of the investments made by such Funds which are referable and allocable to the Transferred Employees and the Transferee Company shall stand substituted for the Transferor Companies with regard to the obligation to make the said contributions.
- d) The contributions made by the Transferor Companies under applicable law in connection with the Transferred Employees, to the Funds, for the period after the Appointed Date shall be deemed to be contributions made by the Transferee Company.
- e) The Transferee Company shall continue to abide by the agreement(s) and settlement(s) entered into with the employees by the Transferor Companies, if any, in terms of such agreement(s) and settlement(s) subsisting on the Effective Date, in relation to the Transferred Employees.

3.2.7 Transferred Liabilities and Security

- a) All Transferred Liabilities of the Transferor Companies, shall, 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 exercised by or against the Transferee Company, as if it had incurred such Transferred Liabilities.
- b) The Transferee Company alone shall be liable to meet, discharge and satisfy the Transferred Liabilities as the borrower/creditor in respect thereof.
- c) This Scheme shall not operate to enlarge or extend the security for any of the Transferred Liabilities and the Transferee Company shall not be obliged to create

any further or additional securities 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 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 Transferred Undertakings.

- d) In so far as the existing security in respect of the Transferred 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 forming part of the Transferred Undertakings of the Transferor Companies, which have been charged and secured and subsisting as on the Effective Date, in respect of the Transferred Liabilities. Provided that if any of the assets forming part of the Transferred Undertakings of the concerned Transferor Companies have not been charged or secured in respect of 'the Transferred 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.
- e) 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 Transferred Liabilities have arisen in order to give effect to the provisions of this paragraph.
- f) It is expressly provided that, save as mentioned in this paragraph 3.2.7, no other term or condition of the Transferred Liabilities is modified by virtue of this Scheme, except to the extent that such amendment is required by necessary implication.
- g) The Transferred Liabilities, if any, due or which may at any time in the future become due only inter-se the Transferor Companies and the Transferee Company, shall stand discharged and there shall be no liability in that behalf on either company and corresponding effect shall be given in the books of account and records of the Transferee Company, in accordance with Part V of this Scheme.

3.2.8 Legal and other such Proceedings

All Proceedings transferred to the Transferee Company pursuant to the Scheme, shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Transferor Companies or by anything contained in this Scheme and the proceedings shall continue and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted or enforced by or against the Transferor Company, as if this Scheme had not been made. The Transferee Company undertakes to have such Proceedings relating to or in connection with the Transferor Companies, initiated-by or against the said Transferor Companies, transferred in the name of the Transferee Company as soon as possible, after the Effective Date, and to have the same continued, prosecuted and enforced by or against the Transferee Company. The Transferee Company also undertakes to pay all amounts including interest, penalties, damages, etc., which the Transferor Companies may be called upon to pay or secure in respect of any liability or obligation relating to the Transferor Companies for the period from the Appointed Date up to the Effective Date and any costs incurred by the Transferor Companies in respect of such proceedings started by or against it relating to the period from the Appointed Date up to the Effective Date upon submission of necessary evidence by the said Transferor Companies to the Transferee Company for making such payment.

3.2.9 Tax Treatment

All taxes, duties, cess, MAT credit, GST, tax related assets (including service tax, input credit, CENVAT, GST, value added tax, sales tax, entry tax etc that are allocable, referable or related to the Transferor Companies and payable, whether due or not, upto a day immediately preceding the Appointed Date, including all advance tax payments, tax deducted at source, tax liabilities or any refunds, tax obligations, credit and claims, carry forward losses and tax credits under any provision of the Income Tax Act, 1961 shall, for all intent and purposes, be treated as the liability or refunds, credit and claims, as the case may be, of the Transferee Company.

3.2.10 Books and Records

All books, records, files, papers, engineering and process information, building plans, databases, catalogues, quotations, advertising materials, if any, lists of

present and former clients and all other books and records, whether in physical or electronic form, of the Transferor Companies, to the extent possible and permitted under applicable laws, be handed over by them to the Transferee Company.

3.3 **Conduct of Business**

3.3.1 With effect from the Appointed Dates and upto the Effective Date:

- a) The Transferor Companies shall carry on its business with reasonable diligence and commercial prudence and in the same manner as it has been doing hitherto;
- b) The Transferor Companies shall carry on and shall be deemed to have carried on all their respective business activities and shall hold and stand possessed and shall be deemed to have held and stood possessed of all the said assets, rights, title, interests, authorities, Contracts, investments and decisions, benefits for and on account of and in trust for the Transferee Company;
- c) All obligations, liabilities, duties and commitments attached, related or pertaining to the Transferor Companies shall be undertaken and shall be deemed to have been undertaken for and on account of and in trust for the Transferee Company; and
- d) All the profits and incomes accruing or arising to the Transferor Companies and all expenditure or losses arising or incurred by the Transferor Companies shall, for all purposes, be treated and be deemed to be the profits and incomes or expenditures and losses, as the case may be, of the Transferee Company.

3.3.2 All assets acquired or sold, leased or licensed, Licenses obtained, benefits, entitlements, incentives and concessions granted, Contracts entered into, Intellectual Property developed or registered or applications made thereto, Transferred Liabilities incurred and Proceedings initiated or made party to, between the Appointed Date and till the Effective Date by the Transferor Companies shall be deemed to be transferred and vested in the Transferee Company. For avoidance of doubt, where any of the Transferred Liabilities as on the Appointed Date (deemed to have been transferred to the Transferee Company) have been discharged by the Transferor Companies on or after the Appointed Date but before the Effective Date, such discharge shall be deemed to

have been for and on behalf of the Transferee Company for all intent and purposes and under all applicable laws. Further where any of the Assets as on the Appointed Date (deemed to have been transferred to the Transferee Company) have been sold / transferred by the Transferor Companies on or after the Appointed Date but before the Effective Date, such sale shall be deemed to have been for and on behalf of the Transferee Company for all intent and purposes and under all applicable laws. Further, in connection with any transactions between the Transferor Company and the Transferee Company between the Appointed Date and upto the Effective date, if any service tax has been paid by the Transferor Companies, then upon the Scheme coming into effect, the Transferee Company shall be entitled to claim refund of such service tax paid by the Transferor Companies.

- 3.3.3 With effect from the Effective Date, the Transferee Company shall carry on and shall be authorised to carry on the business of the Transferor Companies and till such time as the name of account holder in the respective bank accounts of the Transferor Companies is substituted by the bank in the name of the Transferee Company, the Transferee Company shall be entitled to operate such bank accounts of the Transferor Companies, in its name, in so far as may be necessary.
- 3.3.4 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Transferor Companies occurs by virtue of Part III of this Scheme itself, the Transferee Company may, at any time after the Effective Date, in accordance with the provisions hereof, if so required under applicable law or otherwise, give notice in such form, as may be required or as it may deem fit and proper or enter into or execute deeds (including deeds of adherence), confirmations, novations, declarations or other writings or documents as may be necessary and carry out and perform all such formalities and compliances, for and on behalf of the Transferor Companies, including, with or in favour of and required by (i) any party to any Contract to which the Transferor Companies is a party; or (ii) any Governmental Authority or non-government authority, in order to give formal effect to the provisions of this Scheme. Provided however, that execution of any confirmation or novation or other writings or arrangements shall in no event postpone the giving effect to this Scheme from the Effective Date.
- 3.3.5 To the extent possible, pending sanction of this Scheme, the Transferor Companies or the Transferee Company shall be entitled to apply to the relevant Governmental

Authorities and other third parties concerned, as may be necessary under any law or contract for transfer or modification of such consents, approvals and sanctions which the Transferee Company may require to own and carry on the business of the Transferor Companies with effect from the Effective Date and subject to this Scheme being sanctioned by the NCLT.

3.3.6 For the purpose of giving effect to the order passed under Sections 230 to 232 and any other applicable provisions if any of the Companies Act, 2013 in respect of this Scheme by the NCLT, the Transferee Company shall, upon the Scheme becoming effective, be entitled to get the record of the change in the legal right(s) standing in the name of the Transferor Companies, in its favour in accordance with such order and the provisions of Sections 230 to 232 and any other applicable provisions if any of the Companies Act, 2013.

3.4 **Saving of Concluded Transactions**

The transfer and vesting of the Transferor Companies with and into the Transferee Company under Part III of the Scheme, shall not affect any transaction including sale of assets or proceedings already completed or liabilities incurred by the Transferor Companies, either prior to or on or after the Appointed Date till the Effective 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 Companies in respect thereto as acts, deeds and things done and executed by and on behalf of itself.

3.5 **Dissolution of Transferor Companies**

Upon this Scheme becoming effective, Oriental Containers Limited and Shinrai Auto Services Limited shall stand dissolved without being wound-up.

PART IV

CANCELLATION OF SHARES OF TRANSFEROR COMPANIES & INCREASE / CONSOLIDATION OF AUTHORISED SHARE CAPITAL OF TRANSFEE COMPANY

4.1 **Cancellation of Shares of Transferor Companies**

4.1.1 The Transferor Companies are wholly owned subsidiaries of Transferee Company and therefore upon amalgamation of Transferor Companies with Transferee Company in terms of the Scheme becoming effective, the entire paid-up share capital i.e. equity share capital of the Transferor Companies held by the Transferee Company shall without any act or deed stand automatically cancelled and be extinguished and in lieu thereof and the Transferee Company shall not be required to issue and / or allot any shares to the members of the Transferor Companies.

4.2 **Increase / consolidation of authorized share capital of the Transferee Company**

4.2.1 Upon this Scheme becoming effective and upon the transfer and vesting of OCL and SASL into OEL pursuant to this Scheme, the entire authorized share capital of OCL and SASL equal to Rs. 100,00,00,000/- (divided into 2,50,00,000 Equity shares of Rs.10/- each and 7,50,00,000 0.000001% redeemable non cumulative Preference shares of Rs.10/- each) and Rs. 7,00,00,000/- (divided into 70,00,000 equity shares of Rs. 10 each) shall stand merged with the authorized share capital of the OEL the Transferee Company.

4.2.2 Thus, the Authorized Share Capital of the Transferee Company (OEL) of Rs.41,50,00,000/- comprising of Equity Share Capital of Rs.41,40,00,000/- divided into 20,70,00,000 Equity Shares of the face value of Rs.2/- each, Preference Share Capital of Rs. 10,00,000/- divided into 10,000 Preference Shares of the face value of Rs. 100/- each, shall stand increased by Rs.107,00,00,000/- to Rs. 148,50,00,000/- comprising of Equity Share Capital of Rs. 148,40,00,000/- divided into 74,20,00,000 Equity Shares of the face value of Rs.2/- each and Preference Share Capital of Rs. 10,00,000/- divided into 10,000 Preference Shares of the face value of Rs.100/- each.

4.2.3 Accordingly, the authorized share capital of the Transferee Company shall stand increased by an amount of Rs. 107,00,00,000/- and Clause V of the Memorandum of Association of OEL (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended pursuant to Sections 13 and 61 of the Companies Act, 2013 and Section and other applicable provisions of the Companies Act, 2013 as the case may be and be replaced by the following clause:

"The Authorized Share Capital of the Company is Rs.148,50,00,000/- (Rupees One Hundred Forty Eight Crores and Fifty Lakhs only) divided into 74,20,00,000

(Seventy Four Crores Twenty Lakhs) Equity Shares of the face value of Rs.2/- (Rupees Two) each and 10,000 (Ten Thousand) Preference Shares of the face value of Rs.100/ - (Rupees One Hundred) each, with power to the Company to increase or reduce or modify the said classes into several classes and to attach thereto respectively and preferential, deferred, qualified or special right privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided for by the Articles of Association of the Company.

4.2.4 The stamp duty or filing fees paid on the authorized share capital of the Transferor Companies is permitted to be utilized and applied towards the increase in the authorized share capital of the Transferee Company in accordance with this paragraph 4.2 and no additional stamp duty shall be payable and no additional fee shall be payable to any regulatory authorities in relation to such increase in the authorized share capital of the Transferee Company. The Transferee Company shall file the requisite documentation with the relevant Registrar of Companies, which has jurisdiction over the Transferee Company, for the increase of the authorized share capital of the Transferee Company as aforesaid. It is hereby clarified that for the purposes of increasing the authorized share capital in accordance with this paragraph 4.2, the sanction of the NCLT shall be deemed to be sufficient for the purposes of effecting this amendment and that no further approval or resolution under any applicable provisions of the Companies Act, 2013 would be required to be separately passed.

PART V

ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEE COMPANY PART V

ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEE COMPANY

5.1 Accounting treatment in respect of amalgamation of Transferor Companies with Transferee Company

5.1.1 Upon the Scheme coming into effect, the Transferee Company shall account for the amalgamation in its books of account in accordance with the Pooling of Interest method laid down in Appendix C of the Indian Accounting

Standard 103 "Business Combinations of entities under common control" and other applicable IND-AS prescribed under section 133 of the companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015(as amended) and other generally accepted accounting principles as applicable on the effective date.

- 5.1.2 Transferee Company shall record the assets, liabilities and reserves relating to Transferred Undertaking of Transferor Companies vested in it pursuant to this Scheme, at their respective carrying amounts at the close of the business of the day immediately preceding the Appointed Date. The identity of the Reserves will be preserved.
- 5.1.3 The identity of the reserves of the Transferor Companies, if any, shall be preserved and they shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Companies mentioned above as on the date immediately preceding the Appointed Date. Accordingly, if prior to this Scheme becoming effective there is any Reserve in the financial statements of the Transferor Companies mentioned above, which are available for distribution to shareholders whether as bonus shares or dividend or otherwise, the same would continue to remain available for such distribution by the Transferee Company, subsequent to this Scheme becoming effective.
- 5.1.4 The balances of the profit and loss accounts of Transferor Companies (as appearing in financial statements mentioned above) shall be aggregated, and added to or set-off from, as the case may be, the corresponding balance appearing in the financial statements of the Transferee Company.
- 5.1.5 Upon coming into effect of this Scheme, to the extent that there are inter-company loans, advances, deposits balances or other obligations as between the Transferor Companies and the Transferee Company and Transferor companies amongst themselves, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be.

- 5.1.6 The shares held by the Transferee Company in the Transferor Companies shall stand cancelled and there shall be no further obligation / outstanding in that behalf.
- 5.1.7 The difference between the investment in the financial statements of the Transferee Company in the Transferor Companies and the amount of paid-up share capital of the Transferor Companies respectively, shall be adjusted against the Capital Reserves.
- 5.1.8 In case there is any difference in the accounting policies adopted by the Transferor companies and the Transferee company, the accounting policies followed by the Transferee company will prevail and the difference will be quantified and adjusted in the Reserves to ensure that the financial statements of the Transferee company reflect the financial position on the basis of consistent accounting policy.
- 5.1.9 The Transferor Companies are wholly owned subsidiaries of the Transferee Company, thus pursuant to the Scheme no new shares shall be issued after the Scheme is sanctioned by the NCLT at Mumbai.
- 5.1.10 In addition, the Transferee Company shall pass such accounting entries, as may be necessary, in connection with this Scheme to comply with any of the applicable Indian accounting standards and generally accepted accounting principles.

PART VI

GENERAL TERMS AND CONDITIONS

6.1. Application(s) to the National Company Law Tribunal [NCLT]

- 6.1.1 The Transferor Companies and the Transferee Company shall make, as applicable, joint or separate applications/petitions under Section 230 to 232 of the Companies Act, 2013 to the NCLT, as necessary, inter act, to seek orders for dispensing with or for convening, holding or conducting of the meetings of their respective shareholders and creditors, sanctioning of this Scheme and for consequent actions including for dissolution of the Transferor Companies without winding up and further applications / petitions under Sections 230 to 232 of the Companies Act,

2013 including for sanction / confirmation / clarification of the Scheme or connected therewith, as necessary.

6.2 **Revision of accounts and tax filings, modification of charge**

- 6.2.1 Upon this Scheme becoming effective and from the Appointed Date, the Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, including tax deducted at source returns, services tax returns, excise tax returns, GST Returns, sales tax and value added tax returns, as may be applicable and has expressly reserved the right to make such provisions in its returns and to claim refunds or credits etc, if any. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have lapsed.
- 6.2.2 Filing of the certified copy of the order of the NCLT sanctioning this Scheme with the relevant Registrar of Companies, Maharashtra, Mumbai shall be deemed to be sufficient for creating or modifying the charges in favour of the secured creditors, if any, of the Transferor Companies, as required as per the provisions of this Scheme.

6.3 **Tax neutrality**

- 6.3.1 The amalgamation in accordance with this Scheme shall be pursuant to and in compliance with the provisions of Section 2(1B) of the Income-tax Act, 1961, or any modification or re-enactment thereof.
- 6.3.2 If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will, however, not affect other parts of this Scheme.

6.4 **Modifications and Amendments to the Scheme**

- 6.4.1 Notwithstanding anything to the contrary contained in this Scheme, the Transferor Companies and the Transferee Company (acting through their respective Board of Directors or a committee thereof or authorised representatives) may make or assent,

from time to time, to any modifications, amendments, clarifications or confirmations to this Scheme, which they deem necessary and expedient or beneficial to the interests of the stakeholders and the NCLT.

6.4.2 The Transferor Companies and the Transferee Company (acting through their respective Board of Directors or a committee thereof or authorised representatives) shall be authorised to take all such steps and give such directions, as may be necessary, desirable or proper, to resolve any doubts, difficulties or questions that may arise in regard to and of the meaning or interpretation of this Scheme or implementation thereof or in any manner whatsoever connected therewith, whether by reason of any directive or orders of the NCLT or any other authorities or otherwise, howsoever arising out of or under or by virtue of this Scheme or any matter concerned or connected therewith and to do and execute all acts, deeds, matters and, things necessary for giving effect to this Scheme.

6.4.3 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the delegate of the Transferor Companies and the Transferee Company may give and are hereby authorised to determine and give all such directions as are necessary and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

6.4.4 However, no modifications and / or amendments to the Scheme can be carried out or effected by the Board of Directors without approval of the NCLT and the same shall be subject to powers of the NCLT under Section 230 to 232 of the Companies Act, 2013.

6.5 **Conditionality of the Scheme**

6.5.1 This Scheme is conditional upon and subject to the following:

- A The requisite consent, approval or permission of the Appropriate Authorities or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.
- B The Scheme being approved by the respective requisite majorities of the members and creditors of the Transferor Companies and Transferee

Company as may be directed by the NCLT and/or any other competent authority and it being sanctioned by the NCLT and / or any other competent authority, as may be applicable.

C All other sanctions and approvals as may be required by law including registration of the order of the Tribunal sanctioning the Scheme of Amalgamation or any other Appropriate Authority, by the Registrar of Companies, under the Act in respect of this Scheme being sanctioned.

D Certified copies of the orders of the NCLT or such other competent authority, as may be applicable, sanctioning this Scheme being filed with the respective Registrar of Companies.

6.5.2 Notwithstanding anything to the contrary contained herein, the non-receipt of any sanctions or approvals for transfer of a particular asset or liability forming part of the Transferor Companies to the Transferee Company pursuant to this Scheme, shall not affect the effectiveness of this Scheme, if the Board of Directors of the Transferor Companies and the Transferee Company so decide.

6.5.3 On the sanction of this Scheme and upon this Scheme becoming effective, the following shall be deemed to have occurred on the Appointed Date and become effective and operative only in the sequence and in the order mentioned hereunder:

- a) Amalgamation of OCL and SASL and transfer and vesting thereof in OEL;
- b) Transfer of the Authorized Share Capital of OCL and SASL to OEL and consequential increase in the authorised share capital of the Transferee Company (in accordance with paragraph 4.2 hereof).

6.6 **Revocation and withdrawal of this Scheme**

The Board of Directors of the Transferor Companies and the Transferee Company shall be entitled to revoke, cancel, withdraw and declare this Scheme to be of no effect at any stage, but before the Effective date, and where applicable re-file, at any stage in case (a) this Scheme is not approved by the NCLT or if any other consents, approvals, permissions, resolutions, agreements, sanctions and conditions required for giving effect to this Scheme are not received or delayed; (b) any condition or modification imposed by the NCLT and/or any other authority is not acceptable;

(c) the coming into effect of this Scheme in terms of the provisions hereof or filing of the drawn up order(s) with any Governmental Authority could have adverse implication on either of the Transferor Companies and/or the Transferee Company; or (d) for any other reason whatsoever, and do all such acts, deeds and things as they may deem necessary and desirable in connection therewith and incidental thereto. On revocation, cancellation or withdrawal, this Scheme shall stand revoked, cancelled or withdrawn and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred inter se between the respective Transferor Companies and the Transferee Company or their respective shareholders or creditors or employees or any other person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each party shall bear its own costs, unless otherwise mutually agreed.

6.7 **Severability**

If any part of this Scheme is held invalid, ruled illegal by any Tribunal of competent jurisdiction, or becomes unenforceable for any reason, whether under present or future laws, then it is the intention of both the Transferor Companies and the Transferee Company that such part of the Scheme shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part of the Scheme shall causes this Scheme to become materially adverse to either the Transferee Company or the Transferor Companies, in which case the Transferor Companies and the Transferee Company 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 of the Scheme.

6.8 **Mutation of property**

Upon the Scheme coming into effect and with effect from the Appointed Date, the title to the immovable properties including development rights, of the Transferred Undertakings shall be deemed to have been mutated and recognised as that of the Transferee Company and the mere filing of the certified true copy of the vesting order of the Tribunal sanctioning the Scheme with the appropriate Registrar or Sub-

registrar of Assurances or with the relevant Government agencies shall suffice as record of continuing title of the immovable properties including development rights of the Transferred Undertakings with the Transferee Company pursuant to the Scheme becoming effective and shall constitute a deemed mutation and substitution thereof.

6.9 Dividend

- 6.9.1 The respective Transferor Companies and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders, as may be decided by their respective Board of Directors, in respect of the accounting period prior to the Effective Date.
- 6.9.2 It is clarified that the aforesaid provisions in respect of declaration of dividends is an enabling provision only and shall not be deemed to confer any right on any shareholder of either of the Transferor Companies or the Transferee Company to demand or claim any dividends, which is subject to the provisions of the Companies Act, 2013, shall be entirely at the discretion of the Board of Directors of the Transferor Companies and the Transferee Company, as the case may be, subject to such approval of the respective shareholders, as may be required.

6.10 Costs and expenses

All costs, expenses, charges, taxes, fees and all other expenses, if any, including stamp duty and registration charges, if any, arising out of or incurred in carrying out and implementing the terms of this Scheme and the incidentals thereto shall be borne and paid by the Transferee Company.

6.11 Action Taken by SEBI/ RBI

SEBI:-

Securities and Exchange Board of India (“SEBI”) had, vide Adjudicating Order No. ASK /AO-18-29/2014-15 dated 30th May, 2014 (“Order”) imposed a penalty of Rs.15 lakhs on Mr. Susheel Somani under section 15 H(ii) of Securities and Exchange Board of India Act, 1992 for the alleged violation of the provisions of Regulation 3(1) read with Regulations 13(1) of SEBI(SAST) Regulations, 2011.

Further vide same order, a separate penalty of Rs.15 lakhs were imposed jointly and severely on Mr. Rajendra Somani, Ms. Mridula Somani, Ms. Vandana Somani, Mr. Surendra Somani, Mr. Adarsh Somani , Mr. Suhrid Somani, Mr. Shsheel Somani, Ms. Jaya Somani, Mr. Hridai Somani, Kopran Lab Private Limited and S. V. Trading & Agencies Limited under section 15 H(ii) of Securities and Exchange Board of India Act, 1992 for violation of the provisions of Regulation 3(2) read with Regulations 13(1) of SEBI (SAST) Regulations, 2011.

It is stated that the aggrieved persons preferred an appeal against the Order, before the Securities Appellate Tribunal ("SAT"). After series of hearings, on 1st March, 2016, the Hon'ble Securities Appellate Tribunal quashed the Order and set aside and the matter is restored to the file of the Adjudicating Officer for passing a fresh order on merits qua Mr. Rajendra Somani, Ms. Mridula Somani, Ms. Vandana Somani, Mr. Surendra Somani, Mr. Adarsh Somani , Mr. Suhrid Somani, Mr.Susheel Somani Ms. Jaya Somani, Mr. Hridai Somani, Kopran Lab Private Limited and S. V. Trading & Agencies Limited for the alleged violation of and in accordance with Law regulation 3(2) readwith regulation 13(1) of SAST Regulations, 2011. However Mr. Shsheel Somani paid the penalty imposed on him for violation of Regulation 3(1) readwith regulation 13(1) of SAST Regulation 2011. AO SEBI is yet to issue any further show cause notice in pursuance to the SAT Order.

Further, Securities and Exchange Board of India, vide an Adjudicating Order No. ASK /AO-31/2014-15 dated June 03, 2014 adjudicated a penalty of Rs.50,000/- on Mr. Rajendra Somani under section 15 A(b) of Securities and Exchange Board of India Act, 1992 for violation of Regulation 29(2) read with Regulation 29(3) of SEBI(SAST) Regulations, 2011. Subsequently,Mr. Rajendra Somani paid the penalty of Rs. 50,000/- and accordingly the adjudication process commenced against Mr. Rajendra Somani is disposed off, on payment of the Penalty amount.

Furthermore, Securities and Exchange Board of India, vide an Adjudicating Order No. ASK/AO-17/2014-15 dated 30th May, 2014 adjudicated a penalty of Rs.1,00,000/- on one Kramer Pharmaceuticals Pvt. Ltd. under section 15 A(b) of Securities and Exchange Board of India Act, 1992 for violation of Regulation 29(2) read with Regulation 29(3) of SEBI (SAST) Regulations, 2011. Subsequently, Kramer Pharmaceuticals Pvt. Ltd. paid the penalty of Rs. 1,00,000/- and accordingly the

adjudication process commenced against Kramer Pharmaceuticals Pvt. Ltd. is disposed off, on payment of the Penalty amount.

Furthermore, Securities and Exchange Board of India, vide an Adjudicating Order No. ASK/AO-16/2014-15 dated 30th May, 2014 adjudicated a penalty of Rs.1,00,000/- on one Shree Satyanarayan Properties Pvt. Ltd. under section 15 A(b) of Securities and Exchange Board of India Act, 1992 for violation of Regulation 29(2) read with Regulation 29(3) of SEBI (SAST) Regulations, 2011. Subsequently, Shree Satyanarayan Properties Pvt. Ltd. paid the penalty of Rs. 1,00,000/- and accordingly the adjudication process commenced against Kramer Pharmaceuticals Pvt. Ltd. is disposed off, on payment of the Penalty amount.

Further Securities and Exchange Board of India (“SEBI”) had, vide its Show Cause Notice bearing no.EAD/AO-NP/SJ/ 7360 /1/2017 (hereinafter referred to as the “SCN”) dated March 31, 2017, issued to Ms. Sujata Parekh and Mr. S. J. Parekh - shareholders in Promoter Category (hereinafter referred to as ‘Noticees’) for the violations of the provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992.

Noticees have individually filed an application for Settlement in terms of Securities and Exchange Board of India (Settlement of Administrative and Civil Proceedings) Regulations, 2014. The said application was processed and noticees paid the required amount towards settlement.

Further Securities and Exchange Board of India (“SEBI”) had, vide its Show Cause Notice (SCN) bearing no. EAD/AO-NP/SJ/7315/1/2017 dated March 31, 2017, issued to the Company, Mr. Vinod Mimani, Mr. Rajendra Somani – Directors and Mr. Sanjay Jain - Company Secretary, (together referred as ‘Noticees’) for violations of the provisions of SEBI (Prohibition of Insider Trading) Regulations 1992 (hereinafter referred to as SEBI (PIT) Regulations, 1992).

The Noticees have made application for settlement in terms of SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014. However the matter is not settled and pending with the authority.

RBI:-

No action has been initiated by Reserve Bank of India (RBI) either against the company or its Promoters.