

SCHEME OF AMALGAMATION
UNDER SECTIONS 230 TO 233 AND OTHER APPLICABLE PROVISIONS OF
THE COMPANIES ACT, 2013

OF

ORICON PROPERTIES PRIVATE LIMITED
(The 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 233 and other applicable provisions if any of the Companies Act, 2013 for amalgamation of ORICON PROPERTIES PRIVATE LIMITED (“the Transferor Company”) and with ORICON ENTERPRISES LIMITED (“the Transferee Company’), and the dissolution of the Transferor Company 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 objects clause of the Memorandum of Association of the Transferee Company authorizes 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 Oricon Properties Private Limited ("OPPL"), the Transferor Company

The Company was incorporated as a Private Limited Company under the Indian Companies Act, VII of 1913, on 16th November, 1943 in the name of National Cotton Products Private Limited in the State of Maharashtra. The name of the Company was changed to its present name to Oricon Properties Private Limited and fresh Certificate of Incorporation dated 1st November, 2010 has been obtained consequent to change of name from the Registrar of Companies, Maharashtra, Mumbai.

The main objects clause of the Memorandum of Association of the Transferor Company authorizes the Transferor Company:

- To carry on the business of builders, contractors, erectors, constructor of buildings, houses, apartments, structures or residential, office, industrial, schools, college, institutional, educational campus, technology park, or commercial or developers of co-operative housing societies, developers of housing schemes, townships, holiday resorts, hotels, motels, and in particular preparing of building sites, constructing, reconstructing, erecting, altering, improving, enlarging, developing, decorating, furnishing and maintaining of structures, flats, houses, factories, shops, offices, garages, warehouses, building, works, workshops, hospitals, nurshing, homes, clinics, godowns, and other commercial, institutional and or educational purposes and conveniences to purchase for development, or for resale lands, house, buildings, structures, and purchase, sell and deal in freehold and leasehold land.

The Transferor Company is engaged in the business of construction, development of land and real estate activities.

The Transferor Company is an Unlisted Private 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 Transferor Company is a Wholly Owned Subsidiary of the Transferee Company.

C. Purpose and Rationale of the Scheme

- 1.1 Oricon Properties Private Limited is wholly owned subsidiary of Oricon Enterprises Limited, the Transferee Company. Both the companies are part of the same group.
- 1.2 Accordingly, the Board of Directors of the Transferor Company and the Transferee Company has decided to amalgamate the Transferor Company together with their business and undertakings, with the Transferee Company, so as to achieve the following:
 - a) Greater integration and greater financial strength and flexibility for the amalgamated entity, which would result in maximizing overall shareholder value and will improve the competitive position of the combined entity.
 - b) The existence of independent companies at times result in duplication of efforts and the integration and combination of such businesses will lead to greater and optimal utilization of resources. The amalgamation would, therefore, enable the Transferee Company to increase operations and confer a competitive advantage on the entire business. With integrated processes, the Transferee Company can achieve higher scales of operation.
 - c) The amalgamation of the operations of the Transferor Company into the Transferee Company will assist the Transferor Company and its management in meeting the funding through a common funding mechanism. This will result in effective management and utilization of funds for capital expenditure and working capital. The efficiencies generated through cash management of the merged entity and access to cash flow generated by the combined business can be deployed more efficiently to fund organic and inorganic growth opportunities and to maximize shareholders value.

- d) The amalgamated company will have the benefit of synergy, optimum use of human relations, expertise, and stability of operations and would help to achieve economies of scale through efficient utilization of resources and facilities.
- e) Strengthened leadership in the Industry, in terms of the asset base, revenues, product range, production volumes and market share of the combined entity. The amalgamated entity will have the ability to leverage on its large asset base and vast pool of intellectual capital, to enhance shareholder value.
- f) Enable the shareholders of Oricon Enterprises Limited to get direct participation in the business of its present wholly owned subsidiary (being Oricon Properties Private Limited)
- g) Simplified group and business structure;

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

Part IV: Cancellation of Shares of Transferor Company & 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 July, 2016 for Transferor Company 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 Company 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 OPPL 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 OPPL 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 Company 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 and Courts of Relevant Jurisdiction, 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 OPPL 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 233 of the Companies Act, 2013
- 1.1.9 "**Oricon Properties**" means Oricon Properties Private Limited (CIN: U99999MH1943PTC004089), an Unlisted Private Company, which was incorporated on 16th November, 1943 under the Indian Companies Act, VII of 1913 having its registered office at 35, 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 Oricon Properties Private Limited with Oricon Enterprises Limited, in its present form, or with any modification(s) made under paragraph 6.4 hereof.
- 1.1.12 "**Subsidiary**" means a subsidiary of Oricon Enterprises Limited under Section 2(87) of the Act 2013.

1.1.13 "**Transferor Company**" means the company i.e. Oricon Properties Private Limited amalgamating into Oricon Enterprises Limited in terms of the Scheme.

1.1.14 "**Transferee Company**" means Oricon Enterprises Limited.

1.1.15 "**Transferred Undertaking**" means and includes the whole of the undertaking of the Transferor Company 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 Company, 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, capital work in progress including any capital expenditure on projects pending commencement of operations and project expenditure incurred, 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 (including capital advances), 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, 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, development rights)(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 Company 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 Company 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, 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 Company, alongwith associated obligations;
- vi. all contracts, agreements including development Agreement, 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 Company, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether written, oral or otherwise, to which the Transferor Company is a party, or to the benefit of which the Transferor Company may be eligible ("Contracts")

- vii. all intellectual property rights of the Transferor Company, 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 Company, whether permanent or temporary, engaged in or in relation to the Transferor Company 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 Company, 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 Company, initiated by or against the Transferor Company or proceedings or investigations to which the Transferor Company 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 Company, 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 Company.

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 Oricon Properties Private Limited (the Transferor Company) as on 31st March, 2016 is set out below:

Share Capital	Amount in Rs.
Authorised Share Capital	
65,00,000 Equity Shares of Rs.10/- each	6,50,00,000
Total	6,50,00,000
Issued, Subscribed and Paid Up Capital	
61,20,000 Equity Shares of Rs. 10/- each	6,12,00,000
Total	6,12,00,000

- 2.2 The capital structure of Oricon Enterprises Limited, the Transferee Company as on 31st March, 2016 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	10,00,000

Preference 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

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

PART III

AMALGAMATION OF TRANSFEROR COMPANY WITH TRANSFEREE COMPANY

3.1 Transfer & Vesting of the Transferor Company

Upon the order of the NCLT sanctioning the Scheme becoming effective, on and from the Appointed Date, the Transferred Undertaking of the Transferor Company shall, together with all its properties, assets, agreements including development 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 233 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 Company 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 Company as are or represent Investments registered and/or held in any form by or beneficial interest wherein is owned by the Transferor Company, 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 Company shall cease to be the registered and/or the beneficial owner of such investments. The Transferor Company 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 Company 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 Company or the Transferee Company or the need for any endorsements, stand transferred from the Transferor Company 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 Company, 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 Company to enforce such security, lien, encumbrance or charge, by virtue of this Scheme.

- d) All immovable properties of the Transferor Company (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 Company 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, building plans, permits, registrations & ownership certificate issued by various registering & statutory authorities relating to the Transferor Company shall stand transferred to and be vested in the Transferee Company, without any further act or deed done by the Transferor Company 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 Company is entitled to, including under customs, excise, service tax, 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, Agreements including Development Agreements, Development Rights, of the Transferor Company 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 Company, the Transferee Company had been a party or beneficiary or oblige thereto.
- b) Any inter-se contracts between the Transferor Company on One hand and the Transferee Company on the other hand 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 Company 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 Company at the request of the Transferor Company 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 Company 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 Company, the Transferee Company had been a party or beneficiary or obligee thereto.

3.2.6 Transferred Employees

- a) All Transferred Employees of the Transferor Company 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 Company, 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 Company 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 Company. 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 Company is making contributions to the Government provident fund, the Transferee Company shall stand substituted for the respective Transferor Company 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 Company 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 Company with regard to the obligation to make the said contributions.

- d) The contributions made by the Transferor Company 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 Company, 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 Company, 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 Company, 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 Company 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 Company 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 Company 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 Company, initiated-by or against the said Transferor Company,

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 Company may be called upon to pay or secure in respect of any liability or obligation relating to the Transferor Company for the period from the Appointed Date up to the Effective Date and any costs incurred by the Transferor Company 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 Company to the Transferee Company for making such payment.

3.2.9 Tax Treatment

All taxes, duties, cess, MAT credit, tax related assets (including service tax, input credit, CENVAT, value added tax, sales tax, entry tax etc that are allocable, referable or related to the Transferor Company 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 Company, 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 Company 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 Company 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 Company 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 Company and all expenditure or losses arising or incurred by the Transferor Company 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, development rights, 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 Company 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 Company 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, 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 Company, then upon the Scheme coming into effect, the Transferee Company shall be entitled to claim refund of such service tax paid by the Transferor Company.

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 Company and till such

time as the name of account holder in the respective bank accounts of the Transferor Company 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 Company, 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 Company 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 Company, including, with or in favour of and required by (i) any party to any Contract to which the Transferor Company 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 Company 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 Company 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 233 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 Company, in its favour in accordance with such order and the provisions of Sections 230 to 233 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 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 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 Company in respect thereto as acts, deeds and things done and executed by and on behalf of itself.

3.5 Dissolution of Transferor Company

Upon this Scheme becoming effective, Oricon Properties Private Limited shall stand dissolved without being wound-up.

PART IV

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

4.1 Cancellation of Shares of Transferor Company

4.1.1 The Transferor Company is wholly owned subsidiary of Transferee Company and therefore upon amalgamation of Transferor Company with Transferee Company in terms of the Scheme becoming effective, the entire paid-up share capital i.e., equity share capital of the Transferor Company 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 Company.

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 OPPL into OEL pursuant to this Scheme, the entire authorized share capital of OPPL equal to Rs. 6,50,00,000/- (divided into 65,00,000 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.35,00,00,000/- comprising of Equity Share Capital of Rs.34,90,00,000/- divided into 17,45,00,000 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.6,50,00,000/- to 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 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. 6,50,00,000/- 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.41,50,00,000/- (Rupees Forty One Crores and Fifty Lakhs only) divided into 20,70,00,000 (Twenty Crores Seventy Lakhs) Equity Shares of the face value of Rs.2 (Rupees Two) each and 10,00,000 (Ten lakhs) 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 be 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 Company 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 TRANSFEEE COMPANY

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

5.1.1 Accounting for the amalgamation of OPPL (the "Transferor Company") and treatment of reserves, if any, in the Financial Statements of the Transferee Company shall be as per "pooling of interest method" in accordance with the provisions of Accounting Standard 14 - "Accounting for Amalgamations" (AS-14) as notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circulars 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs)/ prescribed under section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014 or Indian Accounting Standard (Ind AS) 103 on Business Combinations prescribed by the Central Government under the Companies (Indian Accounting Standard) Rules, 2015, as applicable. Accordingly, upon the Scheme coming into effect, with effect from Appointed Date:

5.1.2 Transferee Company shall record the assets, liabilities and reserves relating to Transferred Undertaking of Transferor Company 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 Dates. The identity of the Reserves will be preserved.

5.1.3 The identity of the reserves of the Transferor Company, 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 Company 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 Company 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 Company (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 Company and the Transferee Company, 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 Company 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 Company and the amount of paid-up share capital of the Transferor Company respectively, shall be adjusted against the Capital Reserves of the Transferee Company.
- 5.1.8 In case of any differences in the accounting policies between Transferor Company as compared to the Transferee Company (OEL), the impact of the same till the Appointed Date will be quantified and the same shall be appropriately adjusted against the Reserves of the Transferee Company and reported in accordance with applicable Accounting Standard (AS) 5, Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies notified under the Companies Act, 1956 or prescribed under section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014 or Indian Accounting Standard (Ind AS) 8 on

Accounting Policies, Changes in Accounting Estimates and Errors prescribed by the Central Government under the Companies (Indian Accounting Standard) Rules, 2015, as applicable, so as to ensure that the financial statements of Transferee Company reflect the financial position on the basis of consistent accounting policies.

- 5.1.9 The Transferor Company is wholly owned subsidiary 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 Notwithstanding anything mentioned in Paragraph 5.1.1 above, the Board of Directors of the Transferee Company are authorised to account for any of the above mentioned transactions/balances in any manner whatsoever as may be deemed fit, in accordance with the applicable accounting standards and generally accepted accounting principles.
- 5.1.11 The Reduction in the capital reserve Account of Oricon Enterprises Limited, the Transferee Company, shall be effected as an integral part of the Scheme, and here applicable, in accordance with the provisions of Section 66 of the Companies Act, 2013 and the order of the NCLT sanctioning the Scheme shall be deemed to be also the Order under Section 66 of the Companies Act, 2013 for the purpose of confirming the relevant reductions. The reductions would not involve whether a diminution of liability in respect of unpaid share capital or payment of paid-up share capital and the provisions of Section 66 of the Companies Act, 2013 will not be applicable. Notwithstanding the reduction as mentioned above, Oricon Enterprises Limited the Transferee company shall not be required to add” and reduced” as a suffix to its name and Oricon Enterprises Limited shall continue in its existing name.

PART VI

GENERAL TERMS AND CONDITIONS

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

6.1.1 The Transferor Company and the Transferee Company shall make, as applicable, joint or separate applications/petitions under Section 230 to 233 of the Companies Act, 2013 to the NCLT, as necessary, inter alia, 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 Company without winding up and further applications / petitions under Sections 230 to 233 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, 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 Company, 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 Company 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 Company 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 Company 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 233 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 Company 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 As para (I) (A) (9) (a) of Annexure I of SEBI Circular No. CIR/ CFD/ CMD/16/2015 dated 30th November, 2015 is applicable to this Scheme, therefore it is provided in the Scheme that the Transferee Company will provide voting by the public shareholders through postal ballot and e-voting and will disclose all material facts in the explanatory statement to be sent to the shareholders in relation to the said Resolution.
- D As para (I) (A) (9) (a) of Annexure I of SEBI Circular No. CIR/ CFD/ CMD/16/2015 dated 30th November, 2015 is applicable to this Scheme, the Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme are more than the number of votes cast by the public shareholders against it.
- E 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.
- F 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 Company to the Transferee Company pursuant to this Scheme, shall

not affect the effectiveness of this Scheme, if the Board of Directors of the Transferor Company 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 OPPL and transfer and vesting thereof in OEL;
- b) Transfer of the Authorized Share Capital of OPPL 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 Company 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 Company 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 Company 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 Company 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 Company, in which case the Transferor Company 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 Company 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 Company 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 Company 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 severally on Mr. Rajendra Somani, Ms. Mridula Somani, Ms. Vandana Somani, Mr. Surendra Somani, Mr. Adarsh Somani , Mr. Suhridd 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. Suhridd 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.

RBI:-

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